Supreme Court, U.S.
FILED
FEB 3 - 2004
OFFICE OF THE CLERK

In The

Supreme Court of the United States

FESTO CORPORATION,

Petitioner,

v.

SHOKETSU KINZOKU KOGYO KABUSHIKI CO., LTD., a/k/a SMC CORPORATION and SMC PNEUMATICS, INC.,

Respondents.

On Petition For Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

APPENDIX TO PETITION FOR WRIT OF CERTIORARI

CHARLES R. HOFFMANN
Counsel of Record
GLENN T. HENNEBERGER
ANTHONY E. BENNETT
HOFFMANN & BARON, LLP
6900 Jericho Turnpike
Syosset, New York 11791
(516) 822-3550

Counsel for Petitioner Festo Corporation

February 3, 2004

APPENDIX
TABLE OF CONTENTS

Page

Opinion of the Court of Appeals
September 26, 2003 ..... 1a

Opinion of the Supreme Court
May 28, 2002 ..... 44a

Opinion of the Court of Appeals
November 29, 2000 ..... 61a

Opinion of the Court of Appeals
April 19, 1999 ..... 224a

Opinion of the Court of Appeals
December 14, 1995 ..... 258a

Opinion of the District Court
October 27, 1994 ..... 277a

Order of the Court of Appeals
Denying Petition for Rehearing En Banc
November 5, 2003 ..... 282a

APPENDIX

United States Court of Appeals for the Federal Circuit

95-1066

FESTO CORPORATION,

Plaintiff-Appellee,

v.

SHOKETSU KINZOKU KOGYO KABUSHIKI CO., LTD., a/k/a/ SMC CORPORATION, and SMC PNEUMATICS, INC.,

Defendants-Appellants.

DECIDED: September 26, 2003

Before MAYER, Chief Judge, NEWMAN and MICHEL, Circuit Judges, PLAGER, Senior Circuit Judge, LOURIE, CLEVENGER, RADER, SCHALL, BRYSON, GAJARSA, LINN, DYK, and PROST, Circuit Judges.

Opinion for the court filed by Circuit Judge LOURIE, in which Circuit Judge MICHEL, Senior Circuit Judge PLAGER, and Circuit Judges CLEVENGER, RADER, SCHALL, BRYSON, GAJARSA, LINN, DYK, and PROST join. Concurring opinion filed by Circuit Judge RADER. Opinion concurring in part and dissenting in part

filed by Circuit Judge NEWMAN, in which Chief Judge MAYER joins.

LOURIE, Circuit Judge.

This case is back to this court on remand from the Supreme Court of the United States for adjudication as to whether prosecution history estoppel bars Festo from relying on the doctrine of equivalents in this patent infringement suit. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722 (2002) ("*Festo VIII*"). The sole issue specifically before us is whether Festo can rebut the presumption that the filing of narrowing amendments for the two patents in suit surrendered all subject matter between the original claim limitations and the amended claim limitations. *Id.* at 741. For the reasons set forth herein, we conclude that Festo cannot overcome that presumption by demonstrating that the rationale underlying the narrowing amendments bore no more than a tangential relation to the accused equivalents or by demonstrating that there was "some other reason" such that the patentee could not reasonably have been expected to have described the accused equivalents. However, we remand to the district court to determine whether Festo can rebut the presumption of surrender by establishing that the equivalents in question would have been unforeseeable to one of ordinary skill in the art at the time of the amendments.

BACKGROUND

Enough has been written about the facts and prior decisions in this case that we need not provide more than a brief summary here. This litigation began in 1988 when Festo filed suit against Shoketsu Kinzoku Kogyo Kabushiki Co. and SMC Pneumatics, Inc. (collectively, "SMC") for infringement of United States Patents 4,354,125 (the "Stoll patent") and B1 3,779,401 (the "Carroll patent"), which relate

to magnetically coupled rodless cylinders. The United States District Court for the District of Massachusetts granted partial summary judgment that SMC's accused device infringed claims 5, 6, and 9 of the Carroll patent under the doctrine of equivalents, and a jury found that SMC's accused device infringed claim 1 of the Stoll patent under the doctrine of equivalents. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, No. 88-1814-PBS (D. Mass. Oct. 27, 1994) ("Festo I").

After initially affirming the district court's judgment, *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 72 F.3d 857 (Fed. Cir. 1995) ("Festo II"), *vacated and remanded*, 520 U.S. 1111 (1997) ("Festo III"),[1] we eventually took the case *en banc* to address certain issues relating to prosecution history estoppel and the doctrine of equivalents that "remained in the wake of" the Supreme Court's decision in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997). *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 234 F.3d 558, 563 (Fed. Cir. 2000) (*en banc*) ("*Festo VI*"). In our *en banc* decision, we held that: (1) a "substantial reason related to patentability" that may give rise to an estoppel is not limited to overcoming prior art under 35 U.S.C. § 102 or § 103, but encompasses other reasons relating to the statutory requirements for a patent, including compliance with 35 U.S.C. § 112, *id.* at 566; (2) a "voluntary" claim amendment — *i.e.* , one neither required by a patent examiner nor made in response to a rejection by an examiner for a stated reason — may give rise to prosecution history estoppel, *id.* at 568; (3) no range of equivalents is available for an amended claim limitation

---

[1] On a first remand from the Supreme Court, a panel of this court again affirmed the district court's judgment of infringement under the doctrine of equivalents. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 172 F.3d 1361 (Fed. Cir. 1999) ("*Festo IV*"). We then granted SMC's petition for rehearing *en banc*. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 187 F.3d 1381 (Fed. Cir. 1999) ("*Festo V*").

when prosecution history estoppel applies, *id.* at 569; and (4) "unexplained" amendments are not entitled to any range of equivalents, *id.* at 578 (citing *Warner-Jenkinson*, 520 U.S. at 33). Applying those principles to the facts of this case, we concluded that the limitations at issue in the Stoll and Carroll patents had been narrowed by amendments made during prosecution and reexamination, respectively, and that Festo had failed to establish reasons unrelated to patentability for those amendments. *Id.* at 587-91. We therefore held that no range of equivalents was available for the amended claim limitations and reversed the district court's judgment of infringement with respect to both patents. *Id.* at 588-91.

The Supreme Court then granted certiorari to review our *en banc* decision. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 533 U.S. 915 (2001) ("*Festo VII*"). First, the Court agreed with our holding that "a narrowing amendment made to satisfy any requirement of the Patent Act may give rise to an estoppel." *Festo VIII*, 535 U.S. at 736. Second, however, the Court disagreed with our adoption of a complete bar to the doctrine of equivalents when prosecution history estoppel arises. *Id.* at 737. The Court instead established a presumption that a narrowing amendment made for a reason of patentability surrenders the entire territory between the original claim limitation and the amended claim limitation, and explained that a patentee may overcome that presumption by showing that "at the time of the amendment one skilled in the art could not reasonably be expected to have drafted a claim that would have literally encompassed the alleged equivalent." *Id.* at 741. Specifically, the Court enumerated the three ways in which the patentee may overcome the presumption — *i.e.*, by demonstrating that "the equivalent [would] have been unforeseeable at the time of the [amendment],"[2] that "the

---

[2] The Supreme Court referred to unforeseeability both at the "time of the amendment" and at the "time of the application." *Festo VIII*, 535

rationale underlying the amendment [bore] no more than a tangential relation to the equivalent in question," or that "there [was] some other reason suggesting that the patentee could not reasonably be expected to have described the insubstantial substitute in question." *Id.* at 740-41. Observing that the narrowing amendments at issue in this case were made for reasons of patentability, the Court remanded for this court or the district court to determine in the first instance whether Festo can demonstrate that those narrowing amendments did not surrender the particular equivalents in question. *Id.* The Court accordingly vacated and remanded the judgment of our *en banc* court. *Id.* at 742.

On remand, we asked the parties to brief the following issues:

1. Whether rebuttal of the presumption of surrender, including issues of foreseeability, tangentialness, or reasonable expectations of those skilled in the art, is a question of law or one of fact; and what role a jury should play in determining whether a patent owner can rebut the presumption.

2. What factors are encompassed by the criteria set forth by the Supreme Court.

3. If a rebuttal determination requires factual findings, then whether, in this case, remand to the district court is necessary to determine whether Festo can rebut the presumption that any narrowing amendment surrendered the

---

U.S. at 738, 741. We clarify that the time when the narrowing amendment was made, and not when the application was filed, is the relevant time for evaluating unforeseeability, for that is when the patentee presumptively surrendered the subject matter in question and it is at that time that foreseeability is relevant. *See Pioneer Magnetics, Inc. v. Micro Linear Corp.*, 330 F.3d 1352, 1357 (Fed. Cir. 2003).

equivalent now asserted, or whether the record as it now stands is sufficient to make those determinations.

4. If remand to the district court is not necessary, then whether Festo can rebut the presumption that any narrowing amendment surrendered the equivalent now asserted.

Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 304 F.3d 1289, 1290-91 (Fed. Cir. 2002) (order). We received briefs from the parties and fifteen *amici curiae*, and we heard oral argument on these issues.

DISCUSSION

A. Reinstatement of Our Undisturbed En Banc Holdings

Before addressing the four issues briefed by the parties, we first take this opportunity to tie up the loose ends concerning our now-vacated holdings on the subject of prosecution history estoppel. Although, as a technical matter, our earlier *en banc* decision was vacated and we are free to revisit our prior conclusions, we reinstate those holdings of *Festo VI* that were not disturbed by the Supreme Court. To begin with, we recognize that the Court expressly endorsed our holding that a narrowing amendment made to comply with any provision of the Patent Act, including § 112, may invoke an estoppel. *Festo VIII*, 535 U.S. at 736; *see also Festo VI*, 234 F.3d at 566.

We next reinstate our holding that a "voluntary" amendment may give rise to prosecution history estoppel. *Festo VI*, 234 F.3d at 568. That separate holding was not considered, and certainly was not rejected, by the Supreme Court. *See Festo VIII*, 535 U.S. at 727-28. Moreover, it is consistent with the Court's remand, and

its reinstatement confirms what we have already determined by an overwhelming 11-1 majority.

In addition, we clarify that the Supreme Court's *Warner-Jenkinson* presumption, which treats a narrowing amendment as having been made for a "substantial reason related to patentability" when the record does not reveal the reason for the amendment, 520 U.S. at 33, remains intact after the Court's *Festo* decision, although the consequences of failing to overcome that presumption have been altered. In *Festo VI*, we held that such an "unexplained" amendment completely estops a patentee from relying on the doctrine of equivalents for the narrowed claim limitation. 234 F.3d at 578. Although the Supreme Court rejected that "complete bar" approach, it confirmed that a patentee's failure to overcome the *Warner-Jenkinson* presumption gives rise to the new *Festo* presumption of surrender. *Festo VIII*, 535 U.S. at 740 ("[W]hen the court is unable to determine the purpose underlying a narrowing amendment — and hence a rationale for limiting the estoppel to the surrender of particular equivalents — the court should presume that the patentee surrendered all subject matter between the broader and the narrower language."). A patentee is now entitled to rebut the presumption that an "unexplained" narrowing amendment surrendered the entire territory between the original and the amended claim limitations.

Thus, the *Warner-Jenkinson* and *Festo* presumptions operate together in the following manner: The first question in a prosecution history estoppel inquiry is whether an amendment filed in the Patent and Trademark Office ("PTO") has narrowed the literal scope of a claim. *Pioneer Magnetics, Inc. v. Micro Linear Corp.*, 330 F.3d 1352, 1356 (Fed. Cir. 2003). If the amendment was not narrowing, then prosecution history estoppel does not apply. But if the accused infringer establishes that the amendment was a

narrowing one, then the second question is whether the reason for that amendment was a substantial one relating to patentability. *See id.* When the prosecution history record reveals no reason for the narrowing amendment, *Warner-Jenkinson* presumes that the patentee had a substantial reason relating to patentability; consequently, the patentee must show that the reason for the amendment was not one relating to patentability if it is to rebut that presumption. *See id.* (citing *Warner-Jenkinson*, 520 U.S. at 33). In this regard, we reinstate our earlier holding that a patentee's rebuttal of the *Warner-Jenkinson* presumption is restricted to the evidence in the prosecution history record. *Festo VI*, 234 F.3d at 586 & n.6; *see also Pioneer Magnetics*, 330 F.3d at 1356 (stating that only the prosecution history record may be considered in determining whether a patentee has overcome the *Warner-Jenkinson* presumption, so as not to undermine the public notice function served by that record). If the patentee successfully establishes that the amendment was not for a reason of patentability, then prosecution history estoppel does not apply.

If, however, the court determines that a narrowing amendment has been made for a substantial reason relating to patentability — whether based on a reason reflected in the prosecution history record or on the patentee's failure to overcome the *Warner-Jenkinson* presumption — then the third question in a prosecution history estoppel analysis addresses the scope of the subject matter surrendered by the narrowing amendment. *See Pioneer Magnetics*, 330 F.3d at 1357. At that point *Festo VIII* imposes the presumption that the patentee has surrendered all territory between the original claim limitation and the amended claim limitation. *See Festo VIII*, 535 U.S. at 740. The patentee may rebut that presumption of total surrender by demonstrating that it did not surrender the particular equivalent in question according to the criteria discussed below. Finally, if the patentee fails to rebut the *Festo* presumption, then prosecution history

estoppel bars the patentee from relying on the doctrine of equivalents for the accused element. If the patentee successfully rebuts the presumption, then prosecution history estoppel does not apply and the question whether the accused element is in fact equivalent to the limitation at issue is reached on the merits.

B. The Roles of the Judge and Jury

We turn now to resolution of the four issues that we asked the parties to brief after the Supreme Court's remand. In response to our first question regarding the proper roles of the judge and jury, Festo submits that, although the ultimate question whether prosecution history estoppel applies may be a question of law, rebuttal of the presumption of surrender is a question of fact with underlying factual issues that should be determined by a jury. In contrast, SMC posits that rebuttal of the presumption of surrender is a question of law for the court to decide and one in which a jury has no role to play.

We agree with SMC that rebuttal of the presumption of surrender is a question of law to be determined by the court, not a jury. Prosecution history estoppel has traditionally been viewed as equitable in nature, its application being "guided by equitable and public policy principles." *Loctite Corp. v. Ultraseal Ltd.*, 781 F.2d 861, 871 n.7 (Fed. Cir. 1985), *overruled on other grounds by Nobelpharma AB v. Implant Innovations, Inc.*, 141 F.3d 1059, 1068 (Fed. Cir. 1998); *see Black & Decker, Inc. v. Hoover Serv. Ctr.*, 886 F.2d 1285, 1295 (Fed. Cir. 1989); *Builders Concrete, Inc. v. Bremerton Concrete Prods. Co.*, 757 F.2d 255, 258 (Fed. Cir. 1985). We have stated on numerous occasions that whether prosecution history estoppel applies, and hence whether the doctrine of equivalents may be available for a particular claim limitation, presents a question of law. *E.g.*, *Bai v. L&L Wings, Inc.*, 160 F.3d 1350, 1354 (Fed. Cir. 1998); *Cybor*

Corp. v. FAS Techs., Inc., 138 F.3d 1448, 1460 (Fed. Cir. 1998) (en banc). The Supreme Court has recognized that, as a legal limitation on the application of the doctrine of equivalents, prosecution history estoppel is a matter to be determined by the court. *Warner-Jenkinson*, 520 U.S. at 39 n.8; *see also Multiform Desiccants, Inc. v. Medzam, Ltd.*, 133 F.3d 1473, 1480 (Fed. Cir. 1998) ("The court determines . . . whether there is any estoppel derived from the prosecution history that bars remedy even when there is technologic equivalency . . . ."). Questions relating to the application and scope of prosecution history estoppel thus fall within the exclusive province of the court. Accordingly, the determinations concerning whether the presumption of surrender has arisen and whether it has been rebutted are questions of law for the court, not a jury, to decide.[3]

C. Rebuttal of the Festo Presumption

In response to our second question, the parties and several *amici* propose a variety of factors that they argue ought to be encompassed by the Supreme Court's test for rebuttal; other *amici*, including the United States, suggest that we should refrain from identifying such factors at this time and instead should address the relevant factors as they arise in future cases. In addition, the parties offer divergent views as to what evidence a court should consider in determining whether a patentee has rebutted the presumption of surrender. On the one hand, Festo submits that the district court should be permitted to consider any relevant evidence, whether documentary or testimonial, in evaluating rebuttal of the presumption. On the other hand, SMC argues that the

---

[3] We recognize that rebuttal of the presumption may be subject to underlying facts, which we discuss in more detail below. Nonetheless, the resolution of factual issues underlying a legal question may properly be decided by the court. *See, e.g., Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 980-81 (Fed. Cir. 1995) (en banc), *aff'd*, 517 U.S. 370, 390 (1996) (claim construction).

court's evaluation of a patentee's rebuttal should be based on the prosecution history record.

In discussing its newly established presumption, the Supreme Court made clear that the patentee bears the burden of showing that a narrowing amendment did not surrender a particular equivalent and explained that a patentee may rebut the presumption of surrender by showing that "at the time of the amendment one skilled in the art could not reasonably be expected to have drafted a claim that would have literally encompassed the alleged equivalent." *Festo VIII*, 535 U.S. at 741. As indicated above, the Court identified the three ways in which the patentee may overcome the presumption. Specifically, the patentee must demonstrate that the alleged equivalent would have been unforeseeable at the time of the narrowing amendment, that the rationale underlying the narrowing amendment bore no more than a tangential relation to the equivalent in question, or that there was "some other reason" suggesting that the patentee could not reasonably have been expected to have described the alleged equivalent. *Id.* at 740-41. Because we cannot anticipate all of the circumstances in which a patentee might rebut the presumption of surrender, we believe that discussion of the relevant factors encompassed by each of the rebuttal criteria is best left to development on a case-by-case basis. However, we provide the following general guidance, which we apply to the patents in suit below, regarding the application of the three rebuttal criteria.

The first criterion requires a patentee to show that an alleged equivalent would have been "unforeseeable at the time of the amendment and thus beyond a fair interpretation of what was surrendered." *Id.* at 738. This criterion presents an objective inquiry, asking whether the alleged equivalent would have been unforeseeable to one of ordinary skill in the art at the time of the amendment. Usually, if the alleged equivalent represents later-developed technology (*e.g.*,

transistors in relation to vacuum tubes, or Velcro® in relation to fasteners) or technology that was not known in the relevant art, then it would not have been foreseeable. In contrast, old technology, while not always foreseeable, would more likely have been foreseeable. Indeed, if the alleged equivalent were known in the prior art in the field of the invention, it certainly should have been foreseeable at the time of the amendment. *See Pioneer Magnetics*, 330 F.3d at 1357. By its very nature, objective unforeseeability depends on underlying factual issues relating to, for example, the state of the art and the understanding of a hypothetical person of ordinary skill in the art at the time of the amendment. Therefore, in determining whether an alleged equivalent would have been unforeseeable, a district court may hear expert testimony and consider other extrinsic evidence relating to the relevant factual inquiries.

The second criterion requires a patentee to demonstrate that "the rationale underlying the narrowing amendment [bore] no more than a tangential relation to the equivalent in question." *Festo VIII*, 535 U.S. at 740. In other words, this criterion asks whether the reason for the narrowing amendment was peripheral, or not directly relevant, to the alleged equivalent. *See The American Heritage College Dictionary* 1385 (3d ed. 1997) (defining "tangential" as "[m]erely touching or slightly connected" or "[o]nly superficially relevant; divergent"); 2 *The New Shorter Oxford English Dictionary* 3215-16 (1993) (defining "tangential" as "merely touch[ing] a subject or matter; peripheral"). Although we cannot anticipate the instances of mere tangentialness that may arise, we can say that an amendment made to avoid prior art that contains the equivalent in question is not tangential; it is central to allowance of the claim. *See Pioneer Magnetics*, 330 F.3d at 1357. Moreover, much like the inquiry into whether a patentee can rebut the *Warner-Jenkinson* presumption that a narrowing amendment was made for a reason of

patentability, the inquiry into whether a patentee can rebut the *Festo* presumption under the "tangential" criterion focuses on the patentee's objectively apparent reason for the narrowing amendment. As we have held in the *Warner-Jenkinson* context, that reason should be discernible from the prosecution history record, if the public notice function of a patent and its prosecution history is to have significance. *See id.* at 1356 ("Only the public record of the patent prosecution, the prosecution history, can be a basis for [the reason for the amendment to the claim]. Otherwise, the public notice function of the patent record would be undermined."); *Festo VI*, 234 F.3d at 586 ("In order to give due deference to public notice considerations under the *Warner-Jenkinson* framework, a patent holder seeking to establish the reason for an amendment must base his arguments solely upon the public record of the patent's prosecution, *i.e.*, the patent's prosecution history. To hold otherwise — that is, to allow a patent holder to rely on evidence not in the public record to establish a reason for an amendment — would undermine the public notice function of the patent record."). Moreover, whether an amendment was merely tangential to an alleged equivalent necessarily requires focus on the context in which the amendment was made; hence the resort to the prosecution history. Thus, whether the patentee has established a merely tangential reason for a narrowing amendment is for the court to determine from the prosecution history record without the introduction of additional evidence, except, when necessary, testimony from those skilled in the art as to the interpretation of that record.

The third criterion requires a patentee to establish "some other reason suggesting that the patentee could not reasonably be expected to have described the insubstantial substitute in question." *Festo VIII*, 535 U.S. at 741. This category, while vague, must be a narrow one; it is available in order not to totally foreclose a patentee from relying on

reasons, other than unforeseeability and tangentialness, to show that it did not surrender the alleged equivalent. Thus, the third criterion may be satisfied when there was some reason, such as the shortcomings of language, why the patentee was prevented from describing the alleged equivalent when it narrowed the claim. When at all possible, determination of the third rebuttal criterion should also be limited to the prosecution history record. For example, as we recently held in *Pioneer Magnetics, Inc. v. Micro Linear Corp.*, 330 F.3d 1352 (Fed. Cir. 2003), a patentee may not rely on the third rebuttal criterion if the alleged equivalent is in the prior art, for then "there can be no other reason the patentee could not have described the substitute in question." *Id.* at 1357. We need not decide now what evidence outside the prosecution history record, if any, should be considered in determining if a patentee has met its burden under this third rebuttal criterion.[4]

D. The Patents in Suit

Having set forth the general legal standards that govern rebuttal of the presumption of surrender, we turn now to Festo's attempt to overcome that presumption with respect to the Stoll and Carroll patents. In response to our third and fourth questions, Festo argues that remand to the district court is necessary in this case so that it may develop the record according to the Supreme Court's newly created rebuttal criteria. Festo maintains that it will present

---

[4] Consistent with Supreme Court precedent, the holdings of that Court and our own regarding the *Festo* presumption of surrender and its rebuttal apply to all granted patents and to all pending litigation that has not been concluded with a final judgment, including appeals. *See Harper v. Va. Dep't of Taxation*, 509 U.S. 86, 97 (1993) ("When this Court applies a rule of federal law to the parties before it, that rule is the controlling interpretation of federal law and must be given full retroactive effect in all cases still open on direct review and as to all events, regardless of whether such events predate or postdate our announcement of the rule.").

documentary and testimonial evidence to demonstrate that the narrowing amendments to the Stoll and Carroll patents did not surrender the two equivalents in question. In contrast, SMC argues that further remand is not necessary because, as a matter of law, Festo cannot rebut the presumption of surrender with respect to either accused equivalent.

Based on the parties' arguments and the prosecution history record, we conclude that Festo cannot show that the "magnetizable" and "sealing ring" amendments to the Stoll and Carroll patents were "tangential" or were made for "some other reason." However, because there exist factual issues relating to the objective unforeseeability of the two accused equivalents, we remand to the district court to determine whether Festo can rebut the presumption of surrender by demonstrating that the accused device's aluminum sleeve and sealing ring elements would have been unforeseeable to a person of ordinary skill in the art at the time of the amendments.

1. SMC's Aluminum Sleeve

Claim 1 of the application that issued as the Stoll patent originally recited a linear motor having a piston, a driven assembly, and a magnet arrangement. Stoll amended that claim during prosecution by, *inter alia*, adding the limitation that the driven member include "a cylindrical sleeve made of a *magnetizable* material." '125 patent, col. 6, ll. 2-3 (emphasis added). Because that narrowing amendment was made for a reason of patentability, *see Festo VIII*, 535 U.S. at 741, Stoll presumptively disclaimed the entire territory between the original limitation and the amended limitation, *i.e.*, any driven member that does not have "a cylindrical sleeve made of a magnetizable material." SMC's accused device includes a sleeve made of aluminum, a nonmagnetizable material. Thus, the question

before us is whether Festo can show that the "magnetizable" amendment did not surrender an aluminum sleeve.[5]

First, we are unable to determine whether Festo can satisfy the first rebuttal criterion on the current record. Although it seems unlikely that an aluminum sleeve would have been unforeseeable, as it was made of a commonly available metal, Festo argues that one skilled in the art at the time of the "magnetizable" amendment would not have foreseen the interchangeability of an aluminum alloy sleeve and a magnetizable alloy sleeve in Stoll's small gap design involving rare earth magnets. Factual issues thus exist as to whether an ordinarily skilled artisan would have thought an aluminum sleeve to be an unforeseeable equivalent of a magnetizable sleeve in the context of the invention. Accordingly, we remand to the district court on the question of unforeseeability to allow the parties to introduce evidence on this issue.

Second, however, we conclude that Festo has failed to show that the reason for the "magnetizable" amendment was only tangentially related to SMC's aluminum sleeve. Festo argues that the original claims in the Stoll patent were rewritten as a single independent claim in response to a § 112, ¶ 1 rejection, in which the examiner questioned whether the invention was a motor or a clutch, and that the "magnetizable" limitation was unnecessary to

---

[5] SMC argues that Festo is completely barred from relying on the doctrine of equivalents for the "magnetizable" amendment because that amendment was "unexplained." However, as discussed above, an "unexplained" amendment — just like a narrowing amendment made for a reason of patentability — triggers a rebuttable presumption that the patentee has surrendered the entire territory between the original and the amended limitations. *See Festo VIII*, 535 U.S. at 740. Festo is thus entitled to attempt to rebut the presumption of surrender for the "magnetizable" amendment. In any event, the Supreme Court made clear that the "magnetizable" amendment gives rise to the *Festo* presumption of surrender. *See id.* at 741, 122 S.Ct. 1831.

answer that question. Festo thus argues that the amendment was unnecessary to respond to (and thus only tangential to) the § 112 rejection; however, it fails to explain how the patentee's rationale for adding the term "magnetizable" was only tangential, or peripheral, to the accused equivalent of a *nonmagnetizable* aluminum sleeve. Because the prosecution history reveals no reason for the "magnetizable" amendment, *Festo VI*, 234 F.3d at 588, and because Festo still identifies no such reason, Festo has not shown that the rationale for the "magnetizable" amendment was only tangential to the accused equivalent. We therefore conclude that Festo cannot satisfy the "tangential" criterion for the aluminum sleeve equivalent.

Third, we conclude that Festo has pointed to no "other" reason why the patentee could not reasonably have been expected to have described an aluminum sleeve. Festo argues that it can satisfy the third rebuttal criterion by showing that Stoll could not reasonably have been expected to have drafted a claim to cover what was thought to be an inferior and unacceptable design. That argument does not help Festo in satisfying the "other" criterion; indeed, it suggests that Stoll could have described an aluminum sleeve but chose not to do so because that "inferior" element was not a part of his invention. In any event, it seems clear that there was no linguistic or "other" limitation to prevent Stoll from describing the accused equivalent. Although Stoll chose to claim a "magnetizable" sleeve, he reasonably could have been expected to have described a sleeve made of a common nonmagnetizable material, such as aluminum, if that were what he intended to claim. For example, Stoll could have described the accused equivalent at various levels of specificity by using a common descriptive term such as "aluminum" or "metal." We therefore conclude that Festo cannot satisfy the third rebuttal criterion for the aluminum sleeve equivalent.

2. SMC's Sealing Ring

Both the Stoll patent and the Carroll patent include "sealing ring" limitations that were added by amendments made in the PTO. With respect to the Stoll patent, claim 1 of the original application recited a linear motor that included a piston having "sealing means at each end." In response to an examiner's rejection during prosecution, Stoll amended claim 1 to recite "first sealing rings" and "second sealing rings." '125 patent, col. 5, l. 37 & col. 6, l. 11. It must therefore be presumed that Stoll surrendered all "sealing means" other than two-ring structures. With respect to the Carroll patent, claim 1 of the original application made no reference to sealing rings. During reexamination, however, Festo (as assignee of the Carroll patent) amended claim 1 (as new claim 9) to require "a pair of resilient sealing rings." '401 patent, col. 2, l. 14. Because that narrowing amendment was made for a reason of patentability, *see Festo VIII*, 535 U.S. at 741, Festo presumptively disclaimed devices that include other than two sealing rings. SMC's accused device includes a single two-way sealing ring. Thus, the question before us is whether Festo can demonstrate that the two "sealing ring" amendments did not surrender a single two-way sealing ring.

First, we cannot determine from the current record whether the accused sealing ring element would have been objectively unforeseeable at the time of the amendments. Festo argues that SMC's two-way sealing ring was an inferior and unforeseeable equivalent of the one-way sealing rings located at each end of the piston in the claimed invention. Factual issues thus exist as to whether a person of ordinary skill in the art would have considered the accused two-way sealing ring to be an unforeseeable equivalent of the recited pair of sealing rings. We therefore remand to the district court to determine, with the presentation of evidence

as the court sees fit, the objective unforeseeability of a single two-way sealing ring.

Second, however, we conclude that Festo has not shown that the rationales underlying the "sealing ring" amendments were only tangentially related to a single two-way sealing ring. Festo argues that the "sealing ring" amendment in the Stoll patent was made to clarify the invention in response to a § 112 rejection, and that the amendment in the Carroll patent could not have distinguished the prior art based on the relevant aspect of the invention because the prior art disclosed a pair of sealing rings. Looking to the prosecution history, however, we earlier concluded that the "sealing ring" amendments in both the Stoll patent and the Carroll patent were made to distinguish prior art patents. With respect to the Stoll patent, we determined that the "sealing ring" amendment was made to distinguish two prior art patents that did not disclose sealing rings. *Festo VI*, 234 F.3d at 589 ("[N]either of [the two prior art patents] discloses the use of structure preventing the interference by impurities located inside the tube and on the outside of the tube while the arrangement is moved along the tube."). Similarly, with respect to the Carroll patent, we stated that, even though a prior art patent disclosed a piston with sealing rings, Festo distinguished that reference by claiming a combination of features that included a pair of sealing rings. *Id.* at 591. Thus, we have already determined that the two "sealing ring" amendments were made to distinguish prior art patents based, at least in part, on the "sealing ring" aspect of the invention. Nothing in the prosecution history or the Supreme Court's opinion has changed the soundness of those determinations. We therefore conclude that Festo cannot establish that the rationales underlying the "sealing ring" amendments were only tangentially related to SMC's accused sealing ring.

Third, we conclude that Festo has not established some "other" reason that the patentees could not reasonably have been expected to have described a single two-way sealing ring. Festo again argues that it can satisfy the third rebuttal criterion by showing that the patentees could not reasonably have been expected to have drafted claims to cover an inferior and unacceptable design. We again reject that argument as unpersuasive because, if the patentees knew of an inferior design and chose not to include it within the claims, then it cannot be said that they could not have been expected to have described that design. Festo also argues that it would have been unreasonable to have expected Stoll to have broadened the original claim to cover the accused equivalent. Festo' s premise — that the original claim did not encompass an equivalent two-way sealing ring — is in error, however. It overlooks our earlier conclusion, which we ratify here, that the original "sealing means" limitation literally encompassed structural equivalents under § 112, ¶ 6. *Id.* at 589. Therefore, SMC's single two-way sealing ring, if in fact equivalent, would have fallen within the literal scope of the original claim, and Festo's argument cannot succeed. More to the point, it cannot be said that there was a linguistic or "other" limitation preventing Stoll and Festo from describing the equivalent in question, especially where, as here, the difference between the claimed limitation and the accused equivalent is principally a difference in quantity. Instead of reciting "first sealing means . . . and second sealing means" or "a pair of . . . sealing rings," the patentees easily could have encompassed SMC's sealing ring by claiming, for example, "at least one sealing ring." We therefore conclude that Festo cannot rebut the presumption that Stoll and Festo surrendered a single two-way sealing ring under the third rebuttal criterion.

E. Remand

On remand, both parties may introduce evidence relating to the unforeseeability of the equivalents in question, as the trial court deems appropriate. If the court determines that Festo has failed to rebut the presumption of surrender, then prosecution history estoppel bars Festo from relying on the doctrine of equivalents. If, however, the court determines that Festo has successfully rebutted the presumption with respect to either of the two accused equivalents, then the court may reinstate its and the jury's findings regarding equivalency in fact, as appropriate.

CONCLUSION

For the foregoing reasons, we conclude that Festo cannot overcome the presumption of surrender by showing that the narrowing amendments to the "magnetizable" and "sealing ring" limitations of the Stoll and Carroll patents were only "tangential" or were made for "some other reason." However, we remand to the district court to consider whether Festo can rebut the presumption by demonstrating that the two accused equivalents would have been unforeseeable to a person of ordinary skill in the art at the time of the amendments.

COSTS

No costs

REMANDED

RADER, Circuit Judge, concurring.

For a third (or perhaps a fourth) time, this court revisits some exceptions to an exception to an exception to the standard rule of infringement.[1] These many

---

[1] *See Hilton Davis Chem. Co. v. Warner-Jenkinson Co.*, 114 F.3d 1161 (Fed. Cir. 1997) (*en banc*); *Festo Corp. v. Shoketsu Kinzoku Kogyo*

pronouncements on such a fine point beg the question of why this court and the Supreme Court have repeatedly returned to such a detail. A part of the answer is that these exceptions, like many facets of patent law, do not affect solely infringement principles. Like the proverbial balloon, a pinch on this backside of the law disrupts symmetry on the front side. In this case, the pinch to rein in the doctrine of equivalents disrupts a fundamental practice of patent acquisition, namely that nearly every patent faces amendment during prosecution. While I concur in this court's most recent pronouncement, I write separately to highlight the difficulty of preserving expectations when frequently revising standards affecting the scope of patent coverage. The principle of foreseeability, I conclude, focuses on the correct inquiries to preserve expectations for patent holders.

Before the Supreme Court ventured to create new presumptions for the exception to the exception to the standard rule for infringement, claim amendments without a fulsome explanation of purpose did not "bar the application of the doctrine of equivalents."[2] *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 33 (1997). Instead, a

---

Kabushiki Co., 234 F.3d 558 (Fed. Cir. 2000) (*en banc*) (*Festo VI*); *Johnson & Johnston Assocs. Inc. v. R.E. Serv. Co.*, 285 F.3d 1046 (Fed. Cir. 2002) (*en banc*). Counting the Supreme Court's opinions, this opinion is the fifth or sixth visit to these exceptions to the exception to the doctrine of equivalents. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722 (2002) (*Festo VIII*); *Warner Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997). Of course, by counting Federal Circuit panel opinions on this topic, the number could quickly rise into the dozens.

[2] Moreover, due to the pressure to keep up with rising patent filings, the prosecution process most often produces amendments without that fulsome explanation. According to United States Patent and Trademark Office statistics, about 67,000 applications were filed in 1950, about 103,000 in 1970, about 165,000 in 1990, and about 327,000 in 2001. *U.S. Patent Activity, at* http://www.uspto.gov/web/offices/ac/ido/oeip/taf/h_counts.htm.

flexible rule permitted courts to tailor the application of the doctrine of equivalents to the intent and breadth of the amendment. Thus, under the flexible rule, the courts genuinely sought to determine the scope of the surrendered subject matter and to estop any recapture of that scope under the doctrine of equivalents.[3] An amendment during prosecution did not work an entire forfeiture of equivalents beyond the scope of surrender. Of course, as documented by this court in *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 234 F.3d 558 (Fed. Cir. 2000) (*en banc*) (*Festo VI*), this court's first *Festo en banc*, that flexible rule engendered some imprecision.[4] Nonetheless that rule – now discarded – sought to preserve expectations of patent applicants.

---

[3] *Litton Sys., Inc. v. Honeywell, Inc.*, 140 F.3d 1449, 1462-64 (Fed. Cir. 1998) (an amendment barred some equivalents but not others, and *Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997). Of course, by counting Federal Circuit panel opinions on this topic, the number could quickly rise into the dozens.

Moreover, due to the pressure to keep up with rising patent filings, the prosecution process most often produces amendments without that fulsome explanation. According to United States Patent and Trademark Office statistics, about 67,000 applications were filed in 1950, about 103,000 in 1970, about 165,000 in 1990, and about 327,000 in 2001. *U.S. Patent Activity, at*
http://www.uspto.gov/web/offices/ac/ido/oeip/taf/h_counts.htm.
remanding for factual determinations underlying prosecution history estoppel); *Dixie USA, Inc. v. Infab Corp.*, 927 F.2d 584, 588 (Fed. Cir. 1991) (an applicant may "obtain some degree of equivalence even in the face of prosecution history estoppel, . . . a total preclusion of equivalence should not apply"); *Hughes Aircraft Co. v. U.S.*, 717 F.2d 1351, 1362 (Fed. Cir. 1983) (rejecting as a "wooden application of estoppel" the view that virtually any amendment of the claims bars all resort to the doctrine of equivalents).

[4] The problem is defining the scope of the surrender when an amendment literally abandons more subject matter than perhaps necessary to escape prior art or otherwise traverse the examiner' s rejection.

In response to the demise of the flexible rule and the rise of new rules, an applicant must now avoid amendments, file more and increasingly specific claims (at the risk of prolonging the backlogged prosecution process), resort to less precise functional claims to preserve a statutory equivalent,[5] or perhaps even use continuation strategies[6] to protect claim scope. This court and the Supreme Court necessarily disturbed some settled expectations in the prosecution process, *Warner Jenkinson*, 520 U.S. at 41 (Ginsburg, J., concurring), to achieve more certainty in the enforcement process. Doctrinal changes in enforcement rules almost invariably affect as well the patent acquisition process.

Without belaboring the point, I venture to suggest that, at the pace of these changes in fundamental patent law, the noble objective of bringing more certainty to the doctrine of equivalents nonetheless exacts a price in unintended consequences. For instance, the Supreme Court's stringent estoppel presumptions also entail considerable unanticipated arbitrariness because examiners differ. Some examiners aggressively seek to narrow and define claims. Others demand far fewer amendments. Thus the application of the forfeiture presumption often depends on the luck of the examiner draw. In any event, the new certainty rules for equivalents (a rebuttable presumption that narrowing amendments erect a complete bar), at least for a period of time, may disrupt as much certainty as they provide. In particular, these new rules are likely to influence both the patent acquisition and enforcement processes in unpredictable ways.

---

[5] 35 U.S.C. § 112, paragraph 6 (2000), includes a statutory equivalent as part of the literal infringement inquiry.

[6] *See, e.g.*, *Johnson & Johnston Assocs. Inc. v. R.E. Serv. Co.*, 285 F.3d 1046, 1055 (Fed. Cir. 2002) (*en banc*) (stating that while the doctrine of equivalents does not extend to disclosed but unclaimed subject matter, the applicant may claim such subject matter in a continuation).

To make my point clearer, much of the unpredictability of these changes lies in the pace of change. By common law standards, this court's jurisprudence moves at a lightning pace. This pace can engender uncertainty about the consequences of each new rule. This court met *en banc* to cabin the doctrine of equivalents in 1995. A scarce few years later, the doctrine is certainly more confined, but patent law also has numerous new rules affecting the scope of claims, the strategy of prosecuting a patent, and other aspects of invention law. Trial courts and practitioners have little time to assess the full impact of one rule before hit with another or an exception to the first. With exception added to exception, and presumptions rebutted by still newer presumptions, a practitioner can scarcely predict the scope of claims years in the future, when they are likely to be enforced, let alone the scope of claims drafted a few years ago when amendments did not potentially forfeit claim scope. In other words, the pace of the creation of new rules is itself disrupting the fundamental principle of certainty in the scope of patent claims.

With that word of caution about the pace and consequences of doctrinal shifts, I wish to emphasize that the principle of foreseeability, adopted by the Supreme Court, promises to bring the enforcement of the doctrine of equivalents together with the expectations of the claim drafting process. With some period of stability and uniform application, the foreseeability principle promises to ease the pace and uncertainties inherent in this transition to new rules. Ultimately, as this court has noted in the past, *Sage Prods., Inc. v. Devon Indus., Inc.*, 126 F.3d 1420, 1425 (Fed. Cir. 1997), foreseeability is the overarching principle that reconciles the notice function of claims with the protective function of the doctrine of equivalents.

This reconciling principle is simple: the doctrine of equivalents does not embrace subject matter that the patent drafter could have foreseen during the application process and thus could have included in the claims. Thus, the literal scope of the claims alone defines invention scope in any foreseeable circumstances. At the same time, the doctrine of equivalents protects against insubstantial and unforeseeable circumstances. The Supreme Court has embraced that principle by stressing that this court must not apply "the complete bar by another name." *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 741 (2002) (*Festo VIII*). Because it continues to embrace the other aspects of the "complete bar" it created in *Warner Jenkinson*, the Supreme Court posits foreseeability as an important way[7] to render its complete bar estoppel presumptions more sensitive to the patent drafter's (and amender's) expectations.

Upon reflection, foreseeability will continue to emerge as the unifying principle that justifies the doctrine of equivalents even beyond the confines of rebutting estoppel presumptions. Because the foreseeability principle

---

[7] The tangentiality and "some other reason" grounds for rebutting the complete surrender presumption are also important ways to acknowledge the drafter's expectations when applying an estoppel. Tangentiality, in particular, should permit courts to honor the objective intent of amendments when seeking the scope of the surrender of subject matter. In the facts of the *Warner Jenkinson* case, for example, the applicant amended the claim to escape prior art on the top end of the claimed pH range. The alleged infringer sought to use prosecution history estoppel to foreclose use of the doctrine of equivalents to capture its product that used a pH below the claimed range. In that case, the amendment's surrender of subject matter above the claimed range may diverge from or only bear a peripheral relation to an equivalent beneath the claimed range. Similarly, by its terms, the "some other reason" rebuttal grounds requires courts to consider reasons, including as this court notes "the shortcomings of language," that "the patentee could not reasonably be expected to have described the insubstantial substitute in question." Maj. op. at 14 (citing *Festo VIII*, 535 U.S. at 741, 122 S.Ct. 1831).

incorporates a realistic vision of what the applicant intended to achieve by claim drafting and amendments, this principle pledges to uphold, rather than disrupt, drafting expectations. The foreseeability principle has the virtue of placing the judicial enforcer at the table of the patent drafter at the time of claiming or amending. From that vantage point and with knowledge of the prior art, the judge (guided by experts) can deduce something close to the bounds that a careful drafter would have drawn to define the invention.

Under the foreseeability principle, the doctrine of equivalents will not encompass any accessible prior art because this subject matter could have been included in the claims. On the other hand, any after-arising technology or later developments or advances would not fall within the scope of what the drafter should have foreseen and claimed. After all, a skilled patent drafter is a legal technician, not an inventor.

This enterprise depends on the intensely factual considerations of the state of the art at the time of drafting. In applying the foreseeability exception, the trial court must assess the factual record of events during prosecution, the factual contents of custom and usage of terms in the relevant art, the factual level of ordinary skill in the art, the factual bounds of the prior art, and the factual understanding of a person of ordinary skill in the art at the time of invention. A trial judge, who can freely elicit evidence as needed and can directly interact with technical experts, is thus in a better position to apply the foreseeability exception. By the same token, the trial judge's findings deserve deference from this court.

At this point the Supreme Court has only applied foreseeability to identify the scope of surrendered subject matter for an estoppel. But applying the foreseeability principle directly to bar foreseeable equivalents outside an amendment and estoppel context is very consistent with the

Supreme Court's holding. This principle in operation promises to preserve drafting expectations while honoring the notice function of claims.

NEWMAN, Circuit Judge, concurring in part, dissenting in part, in which MAYER, Chief Judge, joins.

Technology has come to dominate modern industry and culture, and patent principles have evolved as a primary economic incentive for innovation. Our strength as a nation is grounded in our technologic leadership and entrepreneurial energy, and in our competitive vigor. The proper balance among invention, innovation, and competition is a matter of national concern. The doctrine of equivalents is part of that balance. The importance of the issue led the Federal Circuit and the Supreme Court to reconsider this body of long-established judge-made law.

The doctrine of equivalents was judicially created in order to preserve the value of patents as against imitators, described in *Graver Tank* as the "unscrupulous copyist." 339 U.S. 605, 607 (1950). The Court reaffirmed in *Festo*:

> If patents were always interpreted by their literal terms, their value would be greatly diminished. Unimportant and insubstantial substitutes for certain elements could defeat the patent, and its value to inventors could be destroyed by simple acts of copying.

Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 535 U.S. 722, 731 (2002). The Court recognized that "the doctrine of equivalents renders the scope of patents less certain," *id.* at 732, and that "this uncertainty [is] the price of ensuring the appropriate incentives for innovation." *Id.* In this context the Court, while rejecting the Federal Circuit's imposition of an absolute bar to equivalency of amended

claim elements, did not return to the status quo ante. Instead, in *Festo* the Court brought increased rigor to the estoppels generated during patent examination.

A patentee's access to infringement remedy under the doctrine of equivalents has long been subordinate to the estoppels that arise during examination. The patentee cannot reach, through equivalency, that which was disclaimed in order to obtain the patent. This requires judicial determination of what was yielded during examination, and its effect on particular alleged equivalents. The uncertainties of such determination has led to increasing constraints on application of the doctrine. In *Festo* the Court acted to limit access to equivalency in the circumstance when a claim, as initially presented by the applicant, had literally encompassed the device later alleged to be equivalent; when such claim was amended so that it no longer encompassed the alleged equivalent, the Court held that estoppel presumptively applies to the entire territory between the scope of the original proposed claim and the claim as amended. This presumption can be rebutted, but only on grounds "where the amendment cannot reasonably be viewed as surrendering a particular equivalent." 535 U.S. at 740.

Thus the Court tightened access to the doctrine of equivalents, for this presumption of surrender may arise even when the particular equivalent was not described in prior art, and even when the alleged equivalent was not a ground of rejection and was not disclaimed. When this presumption arises, rigorous criteria must be met for rebuttal. These criteria reflect the additional constraints that flow when the applicant had initially presented claims that included the now-alleged equivalent. My concern with the actions of this court on remand is with its interpretation and application of this new presumption and the Court's rebuttal criteria.

The Court remanded, to this court and the district court, for application of these principles to Festo's Carroll

and Stoll patents, and specifically for determination of "what territory the amendments surrendered" and "whether petitioner can demonstrate that the narrowing amendments did not surrender the particular equivalents at issue." *Festo*, 535 U.S. at 741. My colleagues now implement the presumption of surrender in ways that enlarge the surrendered territory, and implement the rebuttal analysis by converting two of the Court's three rebuttal criteria into questions of law and then deciding them, sua sponte, without trial or record. My colleagues deny Festo's request to present evidence as to these issues despite their status as questions of first impression.

From this flawed implementation of the Court's decision, I respectfully dissent.

I concur in the court's ruling that determination of the presumption of surrender and its rebuttal is for the court and is decided without a jury, by analogy to the decision in *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996). I also concur in the remand to the district court for determination of the rebuttal issue of unforeseeability, although I object to the prejudgments with which the remand is encumbered. I do not agree with the treatment of the factual criteria of "tangentialness" and "other reasons" as questions of law, or with the adjudication of these new issues without permitting evidence and argument in accordance with the procedures of trial.

I

The doctrine of equivalents is not an end in itself. No patentee plans to rely on protection outside of the patent's claims, as support for invention and investment. Disputed issues of equivalency generally arise only after an innovative advance has been successfully commercialized, and others appropriate the benefit thereof while skirting the claims. Thus the doctrine of equivalents is a tool of a

technology-based economy; it is an indicator of the policy balance between creativity and imitation.

A national economic policy that weighs on the side of fostering development and investment in new technology will have a different approach to the law of equivalency than an economic policy aimed at facilitating competition by minor change in existing products. Any tightening or loosening of access to the doctrine of equivalents shifts the balance between inventor and copier. The high public interest in this case reflects these fundamentals, for the administration of this law affects major commercial and societal interests. The number and diversity of the amicus curiae[1] briefs reflect the complexity of these concerns and the variety of viewpoints among technology-based enterprises. The public interest here is not in the fate of these litigants and these long-expired patents; the interest is in the way this judge made law affects technologic innovation and competition.

II

The Supreme Court remanded with instructions to determine, first, "what territory the amendments surrendered," *Festo*, 535 U.S. at 741, implementing the presumption of surrender that arises when a claim as originally filed covered the alleged equivalent , and was subsequently narrowed by amendment. The facts of the Carroll and Stoll patents raise several issues of first

---

[1] Briefs were filed by the American Council on Education *et al.*; American Intellectual Property Law Ass'n; Association of the Bar of the City of New York; Association of Patent Law Firms; Bar Ass'n of the District of Columbia; Biotechnology Industry Org.; Cargill, Inc. *et al.*; Consumer Project on Technology; Eli Lilly & Co.; Federal Circuit Bar Ass'n; Federation Internationale Des Conseils en Propriété Industrielle; Intel Corp.; Sterne, Kessler, Goldstein, & Fox, P.L.L.C.; the United States; and the Washington State Bar Ass'n.

impression, questions whose resolution is fundamental to application of the Court's new presumption.

For the Carroll reexamination patent, the only element for which equivalency is at issue is the claimed pair of sealing rings. The SMC devices use a single two-way sealing ring. The original Carroll patent claims, as filed and prosecuted and granted, did not include sealing rings or any other sealing element. The broadest claim of the original patent was:

> 1. A device for moving articles comprising a cylinder of non-ferrous material, a piston including a permanent magnet having a pole-piece on each axial side thereof, a body disposed outside and adjacent to said cylinder, said body including a permanent magnet which substantially surrounds the cylinder, there being a pole piece on each axial side of the permanent magnet included in said body, and means for controlling the admission of pressure fluid into the cylinder and exhaust of fluid from the cylinder for moving the piston in the cylinder, the attractive forces between the permanent magnets being such that movement of the piston causes corresponding movement of the body below a predetermined load on the body and such that above said predetermined load movement of the piston does not cause corresponding movement of the body.

Festo requested reexamination in light of previously uncited German references, unrelated to the sealing rings element. With the reexamination application Festo presented new claim 9, that contained all the limitations of original patent claims 1, 2, 7, and 8, plus a clause to a pair of sealing rings:

> a pair of resilient sealing rings situated near opposite axial ends of the central mounting member and engaging the cylinder to effect a fluid-tight seal therewith

During prosecution no rejection and no argument was directed to the sealing rings, although other elements of the claims were mentioned by the applicant and the examiner. No amendment was made to the sealing rings in the reexamination application.

The Court's new presumption of estoppel is founded on the premise that the patentee, by narrowing amendment, "disclaimed" a "material difference" between the claims before and after amendment. *Festo*, 535 U.S. at 734, quoting *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126, 136-137 (1942). The presumption of surrender requires that the claims as originally presented covered the alleged equivalent and that the entire intervening territory was presumptively yielded by the amendment.

Festo argues that no territory with respect to the sealing rings was surrendered during prosecution. Festo points out that the sealing rings could not have been claimed more broadly because the only structure disclosed in the specification is the pair of sealing rings. Festo stresses the Court's statement that "What is claimed by the patent application must be the same as what is disclosed in the specification; otherwise the patent should not issue." 535 U.S. at 736. The parties and the amici curiae recognized that there is a significant difference between claims that were initially of a scope that included the alleged equivalent and were narrowed by amendment that excluded the equivalent, and claims that did not include the equivalent and were not narrowed by amendment.

My colleagues hypothesize that Festo could have presented a claim to "at least one sealing ring," and thus rule

that the surrendered territory includes the accused SMC single sealing ring, although no such claim was requested. Festo points out that if such a claim had been presented for reexamination it would have been subject to rejection as new matter or for enlarged claim scope prohibited by 35 U.S.C. §305. Judicial hindsight is not a basis for rewriting the prosecution record, and the points raised by Festo should not be ignored. The question of the scope of the presumptively surrendered territory is material to this remand, and to guide further application of the Court's decision.

Related questions are present for the Stoll patent. The elements for which equivalency is at issue are the pair of sealing rings and the sleeve of magnetizable material. In the Stoll application both of these elements were initially claimed, and the issue is the scope of the surrendered territory. Like the Carroll patent, these aspects are not adequately considered in the majority opinion.

The Stoll patent is the United States counterpart of a patent initially filed in Germany, and was filed as a translation of the German application. It contained claims in a dependent form that did not conform to United States practice. The relevant claims as initially filed follow, with emphases added to the elements for which equivalency is at issue:

> 1. A linear motor for use in a conveying system, said motor being operable by a pressure medium and comprising a tubular part connectible to a source of the pressure medium, a piston which is slidable in said tubular part and which has *sealing means at each end for wiping engagement with an internal surface of the tubular part and so as to form a seal for the pressure medium*, and a driven assembly which is slidable on the tubular part and which has means at each end for wiping

engagement with an external surface of the tubular part, the piston and the driven assembly each carrying a drive magnet arrangement in the form of a hollow cylindrical assembly, each magnet arrangement having radial play relative to the adjacent surface of the tubular part, and surfaces of the magnet arrangements which face the tubular part being closely adjacent to the respective surfaces of the tubular part.

4. A linear motor according to any of claims 1 to 3, wherein *the sealing means of the piston comprise sealing rings* and the piston is provided with sliding guide rings near the sealing rings.

8. A linear motor according to any of the preceding claims *wherein the driven assembly is provided with a sleeve made of magnetizable material*, which encircles the hollow cylindrical assembly of the magnet arrangement.

The Examiner rejected all of the claims under §112 ¶1, on the ground: "Exact method of operation unclear. Is device a true motor or magnetic clutch?" The Examiner also rejected claims 4-12 under §112 ¶2 for improper multiple dependent form. No other rejection was made. In response Stoll changed "linear motor" to "an arrangement," and rewrote the claims. Stoll cancelled claim 1 and added claim 13 that included, inter alia, the elements of original claims 4 and 8:

13. In an arrangement having a hollow cylindrical tube and driving and driven members movable thereon for conveying articles, the improvement comprising

wherein said tube is made of a nonmagnetic material,

wherein said driving member is a piston movably mounted on the inside of said tube, said piston having a piston body and plural axially spaced, first permanent annular magnets encircling said piston body,

said piston further including first means spacing said first permanent magnets in said axial spaced relation, the radially peripheral surface of said magnets being oriented close to the internal wall surface of said tube,

said piston further including plural guide ring means encircling said piston body and slidingly engaging said internal wall and

first sealing rings located axially outside said guide rings for wiping said internal wall as said piston moves along said tube to thereby cause any impurities that may be present in said tube to be pushed along said tube so that said first annular magnets will be free of interference from said impurities,

wherein said driven member includes a cylindrical *sleeve made of a magnetizable material* and encircles said tube,

said sleeve having plural axially spaced second permanent annular magnets affixed thereto and in magnetically attracting relation to said first permanent annular magnets

and second means spacing said second permanent annular magnets in said axially spaced relation, the radially inner surface of said magnets being oriented close to the external surface of said tube,

> said sleeve having end face means with second sealing rings located axially outside said second permanent annular magnets for wiping the external wall surface of said tube as said driven member is moved along said tube in response to a driving movement of said piston to thereby cause any impurities that may be present on said tube to be pushed along said tube so that said second permanent annular magnets will be free of interference from said impurities.

(Emphases added.) Claim 13 was allowed without rejection.

For the sealing rings, original claim 1 recited "sealing means" for the internal surface, original claim 4 claimed "sealing rings," and new claim 13 claimed "first sealing rings." Festo argues that the original claims, construed in light of the specification, do not include the SMC single two-way sealing ring. Festo also argues that since "sealing rings" were claimed in original claim 4, the territory surrendered between claim 4 and claim 9 does not include the single two-way sealing ring. The issue of the role of subordinate claims in determining the surrendered territory is raised by the parties, for although claim 1 is broader than claim 4, both were original claims. Resolution is necessary to this case.

For the sleeve of magnetizable material, a further variation arises. The sleeve of magnetizable material was claimed in original claim 8; its scope was not changed. Festo argues that since this element was originally claimed, and was never narrowed by amendment, no territory was surrendered. SMC argues that Stoll's original claim 1 did not mention a sleeve of any material, and therefore that this scope was unlimited, and was narrowed when claim 1 was cancelled, despite the presence of original claim 8. Again, the question of the role of subordinate claims in determining the territory of surrender is squarely raised, and requires resolution.

It is improper simply to assume that all potential equivalents were surrendered in all cases, whatever the nature and scope of the original claims and whatever the relation of the amendment to the original claims. These aspects have wide implications, as the amici curiae recognized,[2] and should not be decided by indirection and without discussion.

III

The Court held that to rebut the presumption of surrender the "patentee must show that at the time of the amendment one skilled in the art could not reasonably be expected to have drafted a claim that would have literally encompassed the alleged equivalent." 535 U.S. at 741. The Court identified three general classes of rebuttal criteria: (1) unforeseeability of the equivalent; (2) whether the reason for the amendment had only a tangential relation to the equivalent; and (3) some other reason why the patentee could not reasonably be expected to have retained literal coverage of the equivalent. *Id.* at 740-741.

The patentee must establish that although the entire intervening territory was presumptively surrendered, the particular alleged equivalent was not surrendered. Festo states that it can meet the Court's rebuttal criteria, and has proffered evidence as to all three criteria. This court now denies Festo the opportunity to present evidence as to the two criteria of tangentialness and some other reason, establishing these criteria as questions of law, not fact, and decides these questions of first impression without

---

[2] Various *amicus* briefs pointed out the complex implications for patent prosecution, for it is customary to present broad and successively narrow claims, to rewrite or cancel claims, and to move elements between dependent and independent claims. The *amici* pointed out that such routine actions may now have unforeseeable consequences, and impose new pitfalls, costs, and burdens on inventors.

development and without evidence. As to these criteria, Festo has been deprived of both trial and appeal.

1. Unforeseeability

I concur in the remand for trial of the issue of unforeseeability, although I strongly object to the court's inappropriate prejudgments of the facts on remand. For example, for the magnetizable sleeve, Festo states that it will present evidence that "one skilled in the art at that time of the application would not have foreseen the interchangeability of an aluminum alloy sleeve with the sleeve of magnetizable material in the STOL small gap design." Festo proffers evidence of the technologic complexity and state of understanding of the subject matter, the context in which the amendments were presented, the content of the prior art, and the nature of the SMC equivalent material. My colleagues announce that it is "unlikely" that Festo can establish unforeseeability, because aluminum is a "commonly available metal." However, the evidence on remand is entitled to be weighed at trial without this court's thumb on the scale.

The court also rules that known equivalents cannot be unforeseeable, stating that any "alleged equivalent known in the prior art in the field of the invention, certainly should have been foreseeable at the time of the amendment." This is not the holding of *Pioneer Magnetics, Inc. v. Micro Linear Corp.*, 330 F.3d 1352 (Fed. Cir. 2003), which the court cites as authority. In *Pioneer Magnetics* the court held that when the alleged equivalent was described in a reference that was cited during prosecution, and the narrowing amendment "was made to avoid the very prior art that contained the equivalent," the equivalent thereby distinguished cannot have been unforeseeable. The *Pioneer* rationale was not that the equivalent technology was foreseeable because it was known, but that it was foreseeable because it had been specifically cited and disclaimed during prosecution. Those

are not the facts of this case, for the amendments to the Carroll and Stoll patents were not made to avoid the SMC equivalents or to distinguish prior art that disclosed these equivalents.[3]

This question of first impression should be remanded to the district court without encumbrance and without prejudgment, for appropriate exploration of the facts, and application of law to found facts. The parties are entitled to the opportunity to present evidence of this and the other criteria of rebuttal, in the context and with the safeguards of trial. *See Icicle Seafoods, Inc. v. Worthington*, 475 U.S. 709, 714 (1986) (for "findings of fact essential to a proper resolution of the legal question [the Court of Appeals] should have remanded to the District Court to make those findings"); *Pullman-Standard v. Swint*, 456 U.S. 273, 291-92 (1982) ("[Factfinding] is the basic responsibility of district courts, rather than appellate courts, and . . . the Court of Appeals should not have resolved in the first instance this factual dispute which had not been considered by the District Court.") (quoting *De Marco v. United States*, 415 U.S. 449, 450 (1974)). (All alterations in original.)

2. Tangential Relation to the Reason for the Amendment

The Court ruled that there is no "call to foreclose claims of equivalence for aspects of the invention that have only a peripheral relation to the reason the amendment was submitted." 535 U.S. at 738. Rebuttal on this ground may

---

[3] Several *amici curiae* pointed out the incongruity whereby equivalency in fact follows from known (foreseeable) interchangeability, *see Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 25 (1997) ("'An important factor is whether persons reasonably skilled in the art would have known of the interchangeability of an ingredient not contained in the patent with one that was.'") (quoting *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605, 609 (1950)), yet the patentee must now prove unforeseeability in order to gain access to the doctrine of equivalents.

arise, for example, when a claim was amended to distinguish a specific reference, and the amendment also excluded subject matter that was unrelated to the reference. Thus the reason why a claim was amended may be evidence of whether the alleged equivalent is sufficiently unrelated to the prosecution rationale as to rebut the presumptive surrender.

The court limits the evidence of this criterion to the prosecution record. However, the factors relevant to determination of tangential relation are unlikely to reside in the prosecution record, for unrelated subject matter or unknown equivalents are unlikely to have been discussed by either the examiner or the applicant. The issue of "tangentialness" may require consideration of how the reason for an amendment affected the patentee's view that certain technology was extraneous. The prosecution record rarely discusses devices that are not prior art.

Festo and amici curiae have described various factors that may be relevant to the question of tangential or peripheral relation, such as the nature of the prosecution action, the content of any references that led to a narrowing amendment, and the differences between the claimed subject matter and the alleged equivalent. The example is offered that if the reason for an amendment were compliance with an enablement rejection, then it may be relevant whether the later-arising equivalent could be practiced without undue experimentation. Such evidence would not reside in the prosecution record.

Festo had not been informed that its evidence is limited to the prosecution record, upon which this court now decides the issue without Festo having had the opportunity to prove its case. At the trial prosecution history estoppel was not at issue; SMC told the district court that "this is not really a prosecution history estoppel case." *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 72 F.3d 857, 863 (Fed. Cir. 1995). Now that it is such a case, Festo is surely

entitled to develop an evidentiary record. The court's refusal to remand on this ground of rebuttal, ruling that evidence outside the prosecution record is not admissible, renders this rebuttal criterion unlikely ever to be met.

3. Some Other Reason

The Court's third rebuttal criterion of "some other reason suggesting that the patentee could not reasonably be expected to have described the insubstantial substitute in question" avoids foreclosing the opportunity of rebuttal in unanticipated situations. It is unnecessary to rule in advance that "some other reason" is narrowly limited to "shortcomings of language" and generally to the prosecution record. Like tangentialness, if some other reason arises that relates to the alleged equivalent, evidence would be more likely to reside outside of the prosecution record than within it.

The Court's concern with language appears to be directed not to the simple meaning of words, but to the prescience of inventors as they explore new technology. Festo raises the argument that it "could not be expected to draft a claim to cover all insubstantial modifications an infringer may dream up;" indeed, this is a policy question of consequential impact on the content of patent specifications. Insofar as the "inadequacy of language" is considered as a ground of rebuttal, the subject engaged Judge Hand in *Philip A. Hunt Co. v. Mallinckrodt Chemical Works*, 177 F.2d 583 (2d Cir. 1949), who observed that "obviously it is impossible to enumerate all possible variants. Indeed, some degree of permissible latitude would seem to follow from the doctrine of equivalents, which was devised to eke out verbal insufficiencies of claims." *Id.* at 585.

This court, however, approaches the criterion of "some other reason" from the opposite direction, ruling that

it is necessary for Festo to show some reason that "prevent[ed] Stoll from describing the accused [aluminum] equivalent." The court imposes the requirement that the inventor was actually prevented from describing an unknown equivalent, in order to rebut the presumption of surrender -- and that the reason was contained in the prosecution history -- a virtual impossibility.

All three classes of rebuttal raise questions of fact and all raise questions of first impression, requiring full and fair exploration of the issues with benefit of the procedures of trial. The court's limitation of the presentation of evidence that may serve to rebut the presumption of surrender constricts judicial ability to render a just decision.

CONCLUSION

The Supreme Court in its *Festo* decision balanced the needs of patentees for adequate protection of their inventions, and the needs of would-be competitors for adequate notice of the scope of that protection. This court's application of the Court's decision in *Festo* places new and costly burdens on inventors, and reduces the incentive value of patents. By adopting a generous interpretation of the scope of surrender, and stinginess toward its rebuttal, the ensuing framework is one that few patentees can survive.

SUPREME COURT OF THE UNITED STATES

No. 00-1543

FESTO CORPORATION, PETITIONER v. SHOKETSU KINZOKU KOGYO KABUSHIKI CO., LTD., ET AL/

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

[May 28, 2002]

JUSTICE KENNEDY delivered the opinion of the Court.

This case requires us to address once again the relation between two patent law concepts, the doctrine of equivalents and the rule of prosecution history estoppel. The Court considered the same concepts in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 117 S.Ct. 1040, 137 L.Ed.2d 146 (1997), and reaffirmed that a patent protects its holder against efforts of copyists to evade liability for infringement by making only insubstantial changes to a patented invention. At the same time, we appreciated that by extending protection beyond the literal terms in a patent the doctrine of equivalents can create substantial uncertainty about where the patent monopoly ends. *Id.*, at 29, 117 S.Ct. 1040. If the range of equivalents is unclear, competitors may be unable to determine what is a permitted alternative to a patented invention and what is an infringing equivalent.

To reduce the uncertainty, *Warner-Jenkinson* acknowledged that competitors may rely on the prosecution history, the public record of the patent proceedings. In some cases the Patent and Trademark Office (PTO) may have rejected an earlier version of the patent application on the ground that a claim does not meet a statutory requirement for patentability. 35 U.S.C. § 132 (1994 ed., Supp. V). When the

patentee responds to the rejection by narrowing his claims, this prosecution history estops him from later arguing that the subject matter covered by the original, broader claim was nothing more than an equivalent. Competitors may rely on the estoppel to ensure that their own devices will not be found to infringe by equivalence.

In the decision now under review the Court of Appeals for the Federal Circuit held that by narrowing a claim to obtain a patent, the patentee surrenders all equivalents to the amended claim element. Petitioner asserts this holding departs from past precedent in two respects. First, it applies estoppel to every amendment made to satisfy the requirements of the Patent Act and not just to amendments made to avoid pre-emption by an earlier invention, *i.e.,* the prior art. Second, it holds that when estoppel arises, it bars suit against every equivalent to the amended claim element. The Court of Appeals acknowledged that this holding departed from its own cases, which applied a flexible bar when considering what claims of equivalence were estopped by the prosecution history. Petitioner argues that by replacing the flexible bar with a complete bar the Court of Appeals cast doubt on many existing patents that were amended during the application process when the law, as it then stood, did not apply so rigorous a standard.

We granted certiorari to consider these questions.

I

Petitioner Festo Corporation owns two patents for an improved magnetic rodless cylinder, a piston-driven device that relies on magnets to move objects in a conveying system. The device has many industrial uses and has been employed in machinery as diverse as sewing equipment and the Thunder Mountain ride at Disney World. Although the precise details of the cylinder's operation are not essential here, the prosecution history must be considered.

Petitioner's patent applications, as often occurs, were amended during the prosecution proceedings. The application for the first patent, the Stoll Patent (U.S. Patent No. 4,354,125), was amended after the patent examiner rejected the initial application because the exact method of operation was unclear and some claims were made in an impermissible way. (They were multiply dependent.) 35 U.S.C. § 112 (1994 ed.). The inventor, Dr. Stoll, submitted a new application designed to meet the examiner's objections and also added certain references to prior art. 37 CFR § 1.56 (2000). The second patent, the Carroll Patent (U.S. Patent No. 3,779,401), was also amended during a reexamination proceeding. The prior art references were added to this amended application as well. Both amended patents added a new limitation--that the inventions contain a pair of sealing rings, each having a lip on one side, which would prevent impurities from getting on the piston assembly. The amended Stoll Patent added the further limitation that the outer shell of the device, the sleeve, be made of a magnetizable material.

After Festo began selling its rodless cylinder, respondents (whom we refer to as SMC) entered the market with a device similar, but not identical, to the ones disclosed by Festo's patents. SMC's cylinder, rather than using two one-way sealing rings, employs a single sealing ring with a two-way lip. Furthermore, SMC's sleeve is made of a nonmagnetizable alloy. SMC's device does not fall within the literal claims of either patent, but petitioner contends that it is so similar that it infringes under the doctrine of equivalents.

SMC contends that Festo is estopped from making this argument because of the prosecution history of its patents. The sealing rings and the magnetized alloy in the Festo product were both disclosed for the first time in the amended applications. In SMC's view, these amendments

narrowed the earlier applications, surrendering alternatives that are the very points of difference in the competing devices--the sealing rings and the type of alloy used to make the sleeve. As Festo narrowed its claims in these ways in order to obtain the patents, says SMC, Festo is now estopped from saying that these features are immaterial and that SMC's device is an equivalent of its own.

The United States District Court for the District of Massachusetts disagreed. It held that Festo's amendments were not made to avoid prior art, and therefore the amendments were not the kind that give rise to estoppel. A panel of the Court of Appeals for the Federal Circuit affirmed. 72 F.3d 857 (1995). We granted certiorari, vacated, and remanded in light of our intervening decision in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.,* 520 U.S. 17, 117 S.Ct. 1040, 137 L.Ed.2d 146 (1997). After a decision by the original panel on remand, 172 F.3d 1361 (1999), the Court of Appeals ordered rehearing en banc to address questions that had divided its judges since our decision in *Warner-Jenkinson.* 187 F.3d 1381 (1999).

The en banc court reversed, holding that prosecution history estoppel barred Festo from asserting that the accused device infringed its patents under the doctrine of equivalents. 234 F.3d 558 (2000). The court held, with only one judge dissenting, that estoppel arises from any amendment that narrows a claim to comply with the Patent Act, not only from amendments made to avoid prior art. *Id.,* at 566. More controversial in the Court of Appeals was its further holding: When estoppel applies, it stands as a complete bar against any claim of equivalence for the element that was amended. *Id.,* at 574-575. The court acknowledged that its own prior case law did not go so far. Previous decisions had held that prosecution history estoppel constituted a flexible bar, foreclosing some, but not all, claims of equivalence, depending on the purpose of the amendment and the

alterations in the text. The court concluded, however, that its precedents applying the flexible-bar rule should be overruled because this case-by-case approach has proved unworkable. In the court's view a complete-bar rule, under which estoppel bars all claims of equivalence to the narrowed element, would promote certainty in the determination of infringement cases.

Four judges dissented from the decision to adopt a complete bar. *Id.*, at 562. In four separate opinions, the dissenters argued that the majority's decision to overrule precedent was contrary to *Warner-Jenkinson* and would unsettle the expectations of many existing patentees. Judge Michel, in his dissent, described in detail how the complete bar required the Court of Appeals to disregard 8 older decisions of this Court, as well as more than 50 of its own cases. 234 F.3d, at 601-616.

We granted certiorari. 533 U.S. 915, 121 S.Ct. 2519, 150 L.Ed.2d 692 (2001).

II

The patent laws "promote the Progress of Science and useful Arts" by rewarding innovation with a temporary monopoly. U.S. Const., Art. I, § 8, cl. 8. The monopoly is a property right; and like any property right, its boundaries should be clear. This clarity is essential to promote progress, because it enables efficient investment in innovation. A patent holder should know what he owns, and the public should know what he does not. For this reason, the patent laws require inventors to describe their work in " full, clear, concise, and exact terms," 35 U.S.C. § 112, as part of the delicate balance the law attempts to maintain between inventors, who rely on the promise of the law to bring the invention forth, and the public, which should be encouraged to pursue innovations, creations, and new ideas beyond the inventor's exclusive rights. *Bonito Boats, Inc. v. Thunder*

Craft Boats, Inc., 489 U.S. 141, 150, 109 S.Ct. 971, 103 L.Ed.2d 118 (1989).

Unfortunately, the nature of language makes it impossible to capture the essence of a thing in a patent application. The inventor who chooses to patent an invention and disclose it to the public, rather than exploit it in secret, bears the risk that others will devote their efforts toward exploiting the limits of the patent's language:

> "An invention exists most importantly as a tangible structure or a series of drawings. A verbal portrayal is usually an afterthought written to satisfy the requirements of patent law. This conversion of machine to words allows for unintended idea gaps which cannot be satisfactorily filled. Often the invention is novel and words do not exist to describe it. The dictionary does not always keep abreast of the inventor. It cannot. Things are not made for the sake of words, but words for things." *Autogiro Co. of America v. United States,* 181 Ct.Cl. 55, 384 F.2d 391, 397 (1967).

The language in the patent claims may not capture every nuance of the invention or describe with complete precision the range of its novelty. If patents were always interpreted by their literal terms, their value would be greatly diminished. Unimportant and insubstantial substitutes for certain elements could defeat the patent, and its value to inventors could be destroyed by simple acts of copying. For this reason, the clearest rule of patent interpretation, literalism, may conserve judicial resources but is not necessarily the most efficient rule. The scope of a patent is not limited to its literal terms but instead embraces all equivalents to the claims described. See *Winans v. Denmead,* 56 U.S. (15 How.) 330, 347, 14 L.Ed. 717 (1854).

It is true that the doctrine of equivalents renders the scope of patents less certain. It may be difficult to determine what is, or is not, an equivalent to a particular element of an

invention. If competitors cannot be certain about a patent's extent, they may be deterred from engaging in legitimate manufactures outside its limits, or they may invest by mistake in competing products that the patent secures. In addition the uncertainty may lead to wasteful litigation between competitors, suits that a rule of literalism might avoid. These concerns with the doctrine of equivalents, however, are not new. Each time the Court has considered the doctrine, it has acknowledged this uncertainty as the price of ensuring the appropriate incentives for innovation, and it has affirmed the doctrine over dissents that urged a more certain rule. When the Court in *Winans v. Denmead, supra,* first adopted what has become the doctrine of equivalents, it stated that "[t]he exclusive right to the thing patented is not secured, if the public are at liberty to make substantial copies of it, varying its form or proportions." *Id.,* at 343. The dissent argued that the Court had sacrificed the objective of "[f]ul[l]ness, clearness, exactness, preciseness, and particularity, in the description of the invention." *Id.,* at 347 (opinion of Campbell, J.).

The debate continued in *Graver Tank & Mfg. Co. v. Linde Air Products Co.,* 339 U.S. 605, 70 S.Ct. 854, 94 L.Ed. 1097 (1950), where the Court reaffirmed the doctrine. *Graver Tank* held that patent claims must protect the inventor not only from those who produce devices falling within the literal claims of the patent but also from copyists who "make unimportant and insubstantial changes and substitutions in the patent which, though adding nothing, would be enough to take the copied matter outside the claim, and hence outside the reach of law." *Id.,* at 607, 70 S.Ct. 854. Justice Black, in dissent, objected that under the doctrine of equivalents a competitor "cannot rely on what the language of a patent claims. He must be able, at the peril of heavy infringement damages, to forecast how far a court relatively unversed in a particular technological field will expand the claim's language ...." *Id.,* at 617, 70 S.Ct. 854.

Most recently, in *Warner-Jenkinson,* the Court reaffirmed that equivalents remain a firmly entrenched part of the settled rights protected by the patent. A unanimous opinion concluded that if the doctrine is to be discarded, it is Congress and not the Court that should do so:

> "[T]he lengthy history of the doctrine of equivalents strongly supports adherence to our refusal in *Graver Tank* to find that the Patent Act conflicts with that doctrine. Congress can legislate the doctrine of equivalents out of existence any time it chooses. The various policy arguments now made by both sides are thus best addressed to Congress, not this Court." 520 U.S., at 28, 117 S.Ct. 1040.

III

Prosecution history estoppel requires that the claims of a patent be interpreted in light of the proceedings in the PTO during the application process. Estoppel is a "rule of patent construction" that ensures that claims are interpreted by reference to those "that have been cancelled or rejected." *Schriber-Schroth Co. v. Cleveland Trust Co.,* 311 U.S. 211, 220-221, 61 S.Ct. 235, 85 L.Ed. 132 (1940). The doctrine of equivalents allows the patentee to claim those insubstantial alterations that were not captured in drafting the original patent claim but which could be created through trivial changes. When, however, the patentee originally claimed the subject matter alleged to infringe but then narrowed the claim in response to a rejection, he may not argue that the surrendered territory comprised unforeseen subject matter that should be deemed equivalent to the literal claims of the issued patent. On the contrary, "[b]y the amendment [the patentee] recognized and emphasized the difference between the two phrases[,] ... and [t]he difference which [the patentee] thus disclaimed must be regarded as material." *Exhibit Supply Co. v. Ace Patents Corp.,* 315 U.S. 126, 136-137, 62 S.Ct. 513, 86 L.Ed. 736 (1942).

A rejection indicates that the patent examiner does not believe the original claim could be patented. While the patentee has the right to appeal, his decision to forgo an appeal and submit an amended claim is taken as a concession that the invention as patented does not reach as far as the original claim. See *Goodyear Dental Vulcanite Co. v. Davis,* 102 U.S. 222, 228, 26 L.Ed. 149 (1880) ("In view of [the amendment] there can be no doubt of what [the patentee] understood he had patented, and that both he and the commissioner regarded the patent to be for a manufacture made exclusively of vulcanites by the detailed process"); *Wang Laboratories, Inc. v. Mitsubishi Electronics America, Inc.,* 103 F.3d 1571, 1577-1578 (C.A.Fed.1997) ("Prosecution history estoppel ... preclud[es] a patentee from regaining, through litigation, coverage of subject matter relinquished during prosecution of the application for the patent"). Were it otherwise, the inventor might avoid the PTO's gatekeeping role and seek to recapture in an infringement action the very subject matter surrendered as a condition of receiving the patent.

Prosecution history estoppel ensures that the doctrine of equivalents remains tied to its underlying purpose. Where the original application once embraced the purported equivalent but the patentee narrowed his claims to obtain the patent or to protect its validity, the patentee cannot assert that he lacked the words to describe the subject matter in question. The doctrine of equivalents is premised on language's inability to capture the essence of innovation, but a prior application describing the precise element at issue undercuts that premise. In that instance the prosecution history has established that the inventor turned his attention to the subject matter in question, knew the words for both the broader and narrower claim, and affirmatively chose the latter.

A

The first question in this case concerns the kinds of amendments that may give rise to estoppel. Petitioner argues that estoppel should arise when amendments are intended to narrow the subject matter of the patented invention, for instance, amendments to avoid prior art, but not when the amendments are made to comply with requirements concerning the form of the patent application. In *Warner-Jenkinson* we recognized that prosecution history estoppel does not arise in every instance when a patent application is amended. Our "prior cases have consistently applied prosecution history estoppel only where claims have been amended for a limited set of reasons," such as "to avoid the prior art, or otherwise to address a specific concern-- such as obviousness--that arguably would have rendered the claimed subject matter unpatentable." 520 U.S., at 30-32, 117 S.Ct. 1040. While we made clear that estoppel applies to amendments made for a "substantial reason related to patentability," *id.*, at 33, 117 S.Ct. 1040, we did not purport to define that term or to catalog every reason that might raise an estoppel. Indeed, we stated that even if the amendment's purpose were unrelated to patentability, the court might consider whether it was the kind of reason that nonetheless might require resort to the estoppel doctrine. *Id.*, at 40-41, 117 S.Ct. 1040.

Petitioner is correct that estoppel has been discussed most often in the context of amendments made to avoid the prior art. See *Exhibit Supply Co., supra,* at 137, 62 S.Ct. 513; *Keystone Driller Co. v. Northwest Engineering Corp.,* 294 U.S. 42, 48, 55 S.Ct. 262, 79 L.Ed. 747 (1935). Amendment to accommodate prior art was the emphasis, too, of our decision in *Warner- Jenkinson, supra,* at 30, 117 S.Ct. 1040. It does not follow, however, that amendments for other purposes will not give rise to estoppel. Prosecution history may rebut the inference that a thing not described was

indescribable. That rationale does not cease simply because the narrowing amendment, submitted to secure a patent, was for some purpose other than avoiding prior art.

We agree with the Court of Appeals that a narrowing amendment made to satisfy any requirement of the Patent Act may give rise to an estoppel. As that court explained, a number of statutory requirements must be satisfied before a patent can issue. The claimed subject matter must be useful, novel, and not obvious. 35 U.S.C. §§ 101-103 (1994 ed. and Supp. V). In addition, the patent application must describe, enable, and set forth the best mode of carrying out the invention. § 112 (1994 ed.). These latter requirements must be satisfied before issuance of the patent, for exclusive patent rights are given in exchange for disclosing the invention to the public. See *Bonito Boats,* 489 U.S., at 150-151, 109 S.Ct. 971. What is claimed by the patent application must be the same as what is disclosed in the specification; otherwise the patent should not issue. The patent also should not issue if the other requirements of § 112 are not satisfied, and an applicant's failure to meet these requirements could lead to the issued patent being held invalid in later litigation.

Petitioner contends that amendments made to comply with § 112 concern the form of the application and not the subject matter of the invention. The PTO might require the applicant to clarify an ambiguous term, to improve the translation of a foreign word, or to rewrite a dependent claim as an independent one. In these cases, petitioner argues, the applicant has no intention of surrendering subject matter and should not be estopped from challenging equivalent devices. While this may be true in some cases, petitioner's argument conflates the patentee's reason for making the amendment with the impact the amendment has on the subject matter.

Estoppel arises when an amendment is made to secure the patent and the amendment narrows the patent's

scope. If a § 112 amendment is truly cosmetic, then it would not narrow the patent's scope or raise an estoppel. On the other hand, if a § 112 amendment is necessary and narrows the patent's scope--even if only for the purpose of better description-- estoppel may apply. A patentee who narrows a claim as a condition for obtaining a patent disavows his claim to the broader subject matter, whether the amendment was made to avoid the prior art or to comply with § 112. We must regard the patentee as having conceded an inability to claim the broader subject matter or at least as having abandoned his right to appeal a rejection. In either case estoppel may apply.

B

Petitioner concedes that the limitations at issue--the sealing rings and the composition of the sleeve--were made for reasons related to § 112, if not also to avoid the prior art. Our conclusion that prosecution history estoppel arises when a claim is narrowed to comply with § 112 gives rise to the second question presented: Does the estoppel bar the inventor from asserting infringement against any equivalent to the narrowed element or might some equivalents still infringe? The Court of Appeals held that prosecution history estoppel is a complete bar, and so the narrowed element must be limited to its strict literal terms. Based upon its experience the Court of Appeals decided that the flexible-bar rule is unworkable because it leads to excessive uncertainty and burdens legitimate innovation. For the reasons that follow, we disagree with the decision to adopt the complete bar.

Though prosecution history estoppel can bar a patentee from challenging a wide range of alleged equivalents made or distributed by competitors, its reach requires an examination of the subject matter surrendered by the narrowing amendment. The complete bar avoids this inquiry by establishing a *per se* rule; but that approach is inconsistent with the purpose of applying the estoppel in the

first place--to hold the inventor to the representations made during the application process and to the inferences that may reasonably be drawn from the amendment. By amending the application, the inventor is deemed to concede that the patent does not extend as far as the original claim. It does not follow, however, that the amended claim becomes so perfect in its description that no one could devise an equivalent. After amendment, as before, language remains an imperfect fit for invention. The narrowing amendment may demonstrate what the claim is not; but it may still fail to capture precisely what the claim is. There is no reason why a narrowing amendment should be deemed to relinquish equivalents unforeseeable at the time of the amendment and beyond a fair interpretation of what was surrendered. Nor is there any call to foreclose claims of equivalence for aspects of the invention that have only a peripheral relation to the reason the amendment was submitted. The amendment does not show that the inventor suddenly had more foresight in the drafting of claims than an inventor whose application was granted without amendments having been submitted. It shows only that he was familiar with the broader text and with the difference between the two. As a result, there is no more reason for holding the patentee to the literal terms of an amended claim than there is for abolishing the doctrine of equivalents altogether and holding every patentee to the literal terms of the patent.

This view of prosecution history estoppel is consistent with our precedents and respectful of the real practice before the PTO. While this Court has not weighed the merits of the complete bar against the flexible bar in its prior cases, we have consistently applied the doctrine in a flexible way, not a rigid one. We have considered what equivalents were surrendered during the prosecution of the patent, rather than imposing a complete bar that resorts to the very literalism the equivalents rule is designed to overcome. *E.g., Goodyear Dental Vulcanite Co.,* 102 U.S., at 230, 26

L.Ed. 149; *Hurlbut v. Schillinger,* 130 U.S. 456, 465, 9 S.Ct. 584, 32 L.Ed. 1011 (1889).

The Court of Appeals ignored the guidance of *Warner-Jenkinson,* which instructed that courts must be cautious before adopting changes that disrupt the settled expectations of the inventing community. See 520 U.S., at 28, 117 S.Ct. 1040. In that case we made it clear that the doctrine of equivalents and the rule of prosecution history estoppel are settled law. The responsibility for changing them rests with Congress. *Ibid.* Fundamental alterations in these rules risk destroying the legitimate expectations of inventors in their property. The petitioner in *Warner-Jenkinson* requested another bright-line rule that would have provided more certainty in determining when estoppel applies but at the cost of disrupting the expectations of countless existing patent holders. We rejected that approach: "To change so substantially the rules of the game now could very well subvert the various balances the PTO sought to strike when issuing the numerous patents which have not yet expired and which would be affected by our decision." *Id.,* at 32, n. 6, 117 S.Ct. 1040; see also *id.,* at 41, 117 S.Ct. 1040 (GINSBURG, J., concurring) ("The new presumption, if applied woodenly, might in some instances unfairly discount the expectations of a patentee who had no notice at the time of patent prosecution that such a presumption would apply"). As *Warner- Jenkinson* recognized, patent prosecution occurs in the light of our case law. Inventors who amended their claims under the previous regime had no reason to believe they were conceding all equivalents. If they had known, they might have appealed the rejection instead. There is no justification for applying a new and more robust estoppel to those who relied on prior doctrine.

In *Warner-Jenkinson* we struck the appropriate balance by placing the burden on the patentee to show that an amendment was not for purposes of patentability:

> "Where no explanation is established, however, the court should presume that the patent application had a substantial reason related to patentability for including the limiting element added by amendment. In those circumstances, prosecution history estoppel would bar the application of the doctrine of equivalents as to that element." *Id.*, at 33, 117 S.Ct. 1040.

When the patentee is unable to explain the reason for amendment, estoppel not only applies but also "bar[s] the application of the doctrine of equivalents as to that element." *Ibid.* These words do not mandate a complete bar; they are limited to the circumstance where "no explanation is established." They do provide, however, that when the court is unable to determine the purpose underlying a narrowing amendment--and hence a rationale for limiting the estoppel to the surrender of particular equivalents--the court should presume that the patentee surrendered all subject matter between the broader and the narrower language.

Just as *Warner-Jenkinson* held that the patentee bears the burden of proving that an amendment was not made for a reason that would give rise to estoppel, we hold here that the patentee should bear the burden of showing that the amendment does not surrender the particular equivalent in question. This is the approach advocated by the United States, see Brief for United States as *Amicus Curiae* 22-28, and we regard it to be sound. The patentee, as the author of the claim language, may be expected to draft claims encompassing readily known equivalents. A patentee's decision to narrow his claims through amendment may be presumed to be a general disclaimer of the territory between the original claim and the amended claim. *Exhibit Supply*, 315 U.S., at 136-137, 62 S.Ct. 513 ("By the amendment [the patentee] recognized and emphasized the difference between the two phrases and proclaimed his abandonment of all that is embraced in that difference"). There are some cases,

however, where the amendment cannot reasonably be viewed as surrendering a particular equivalent. The equivalent may have been unforeseeable at the time of the application; the rationale underlying the amendment may bear no more than a tangential relation to the equivalent in question; or there may be some other reason suggesting that the patentee could not reasonably be expected to have described the insubstantial substitute in question. In those cases the patentee can overcome the presumption that prosecution history estoppel bars a finding of equivalence.

This presumption is not, then, just the complete bar by another name. Rather, it reflects the fact that the interpretation of the patent must begin with its literal claims, and the prosecution history is relevant to construing those claims. When the patentee has chosen to narrow a claim, courts may presume the amended text was composed with awareness of this rule and that the territory surrendered is not an equivalent of the territory claimed. In those instances, however, the patentee still might rebut the presumption that estoppel bars a claim of equivalence. The patentee must show that at the time of the amendment one skilled in the art could not reasonably be expected to have drafted a claim that would have literally encompassed the alleged equivalent.

IV

On the record before us, we cannot say petitioner has rebutted the presumptions that estoppel applies and that the equivalents at issue have been surrendered. Petitioner concedes that the limitations at issue--the sealing rings and the composition of the sleeve--were made in response to a rejection for reasons under § 112, if not also because of the prior art references. As the amendments were made for a reason relating to patentability, the question is not whether estoppel applies but what territory the amendments surrendered. While estoppel does not effect a complete bar, the question remains whether petitioner can demonstrate that

the narrowing amendments did not surrender the particular equivalents at issue. On these questions, SMC may well prevail, for the sealing rings and the composition of the sleeve both were noted expressly in the prosecution history. These matters, however, should be determined in the first instance by further proceedings in the Court of Appeals or the District Court.

The judgment of the Federal Circuit is vacated, and the case is remanded for further proceedings consistent with this opinion.

It is so ordered.

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT
95-1066

FESTO CORPORATION,

Plaintiff-Appellee,

v.

SHOKETSU KINZOKU KOGYO
KABUSHIKI CO., LTD., a/k/a SMC CORPORATION,
and SMC PNEUMATICS, INC.,

Defendants-Appellants.

On remand from the Supreme Court of the United States
United States Court of Appeals for the Federal Circuit
95-1066

DECIDED: November 29, 2000

Before: MAYER, Chief Judge, NEWMAN, MICHEL,
PLAGER, LOURIE, CLEVENGER, RADER,
SCHALL, BRYSON, GAJARSA,
LINN, and DYK, Circuit Judges.

Opinion by Judge Schall;
Concurring opinion filed by Circuit Judge Plager;.
Concurring opinion filed by Circuit Judge Lourie;
Opinion concurring-in-part and dissenting-in-part
with respect to Part III-C filed by Judge Michel;
Opinion concurring-in-part and dissenting-in-part with
respect to Part III-C filed by Judge Rader;

Opinion concurring-in-part and dissenting-in-part with respect to Part III-C filed by Judge Linn; Opinion concurring-in-part and dissenting-in-part with respect to PARTS III-A, III-B, III-C, and IV filed by Judge Newman.

OPINION

SCHALL, Circuit Judge.

This is an appeal from the judgment of the United States District Court for the District of Massachusetts that Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd. (also known as SMC Corporation) and SMC Pneumatics, Inc. (collectively, "SMC") infringed U.S. Patent No. 4,354,125 (the "Stoll patent") and U.S. Patent No. B1 3,779,401 (the "Carroll patent"), both owned by Festo Corporation ("Festo"), under the doctrine of equivalents. We took the case en banc to resolve certain issues relating to the doctrine of equivalents that remained in the wake of the Supreme Court's decision in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997). Specifically, we asked the parties to brief the following five questions for rehearing en banc:

> 1. For the purposes of determining whether an amendment to a claim creates prosecution history estoppel, is "a substantial reason related to patentability," *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 33, 117 S. Ct. 1040, 137 L. Ed. 2d 146 (1997), limited to those amendments made to overcome prior art under § 102 and § 103, or does "patentability" mean any reason affecting the issuance of a patent?
>
> 2. Under *Warner-Jenkinson*, should a "voluntary" claim amendment—one not required by the examiner or made in response to a rejection by an examiner for a stated reason—create prosecution history estoppel?

3. If a claim amendment creates prosecution history estoppel, under *Warner-Jenkinson* what range of equivalents, if any, is available under the doctrine of equivalents for the claim element so amended?

4. When "no explanation [for a claim amendment] is established," *Warner-Jenkinson,* 520 U.S. at 33, 117 S. Ct. 1040, thus invoking the presumption of prosecution history estoppel under *Warner-Jenkinson,* what range of equivalents, if any, is available under the doctrine of equivalents for the claim element so amended?

5. Would a judgment of infringement in this case violate *Warner-Jenkinson*'s requirement that the application of the doctrine of equivalents "is not allowed such broad play as to eliminate [an] element in its entirety," 520 U.S. at 29, 117 S. Ct. 1040. In other words, would such a judgment of infringement, post *Warner-Jenkinson,* violate the "all elements" rule?

Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 187 F.3d 1381, 1381- 82, 51 U.S.P.Q.2d 1959, 1959-60 (Fed. Cir. 1999) *("Festo V").*

We begin with a brief synopsis of our answers to the en banc questions and a summary of how those answers affect the disposition of this appeal. In response to En Banc Question 1, we hold that "a substantial reason related to patentability" is not limited to overcoming prior art, but includes other reasons related to the statutory requirements for a patent. Therefore, an amendment that narrows the scope of a claim for any reason related to the statutory requirements for a patent will give rise to prosecution history estoppel with respect to the amended claim element.[1] In response

---

[1] In our prior cases, we have used both the term "element" and the term "limitation" to refer to words in a claim. *See, e.g., Lemelson v. United States* 752 F.2d 1538, 1551, 224 U.S.P.Q. 526, 533 (Fed. Cir. 1985) (using the term "element"); *Sextant Avionique, S.A. v. Analog Devices, Inc.,* 172 F.3d 817, 826-27, 49 U.S.P.Q.2d 1865, 1870-71 (Fed. Cir. 1999) (using the term

to En Banc Question 2, we hold that "voluntary" claim amendments are treated the same as other claim amendments; therefore, any voluntary amendment that narrows the scope of a claim for a reason related to the statutory requirements for a patent will give rise to prosecution history estoppel with respect to the amended claim element. In response to En Banc Question 3, we hold that when a claim amendment creates prosecution history estoppel, no range of equivalents is available for the amended claim element. In response to En Banc Question 4, we hold that "unexplained" amendments are not entitled to any range of equivalents. We do not reach En Banc Question 5, for reasons which will become clear in our discussion of the specific case before us.

In view of our answers to the en banc questions, we reverse the judgment that claim 1 of the Stoll patent and claims 5, 6, and 9 of the Carroll patent were infringed under the doctrine of equivalents. The claim elements that were found to be infringed by equivalents were added during prosecution of the Stoll patent and during reexamination of the Carroll patent. The amendments that added those elements narrowed the scope of the claims. Festo has not established explanations unrelated to patentability for these amendments; accordingly, no range of equivalents is available for the amended claim elements. Because the parties agree that SMC does not produce a device that literally satisfies those claim elements, the judgment of infringement must be reversed.

Section I of this opinion provides a brief overview of the doctrine of equivalents and prosecution history estoppel. Section II discusses the Supreme Court's decision in *Warner-Jenkinson*. Section III sets forth our answers to the en banc questions. In

---

"limitation"). It is preferable to use the term "limitation" when referring to claim language and the term "element" when referring to the accused device. *See Dawn Equip. Co. v. Kentucky Farms, Inc.*, 140 F.3d 1009, 1014 n. 1, 46 U.S.P.Q.2d 1109, 1112 n. 1 (Fed. Cir. 1998). However, because the en banc questions use the term "element," we use that term in this opinion.

Section IV, we decide the appeal before us by applying our answers to the en banc questions to the facts of the case.

DISCUSSION

I. The Doctrine of Equivalents and Prosecution History Estoppel

The doctrine of equivalents prevents an accused infringer from avoiding liability for infringement by changing only minor or insubstantial details of a claimed invention while retaining the invention's essential identity. *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605, 608 (1950). The doctrine of equivalents is utilized "'[t]o temper unsparing logic and prevent an infringer from stealing the benefit of the invention.'" *Id.* (quoting *Royal Typewriter Co. v. Remington Rand, Inc.*, 168 F.2d 691, 692, 77 U.S.P.Q. 517, 518 (2d Cir. 1948) (Hand, J.)). In pursuing these goals, the doctrine attempts to strike a balance between ensuring that the patentee enjoys the full benefit of his patent and ensuring that the claims give "fair notice" of the patent's scope. *London v. Carson Pirie Scott & Co.*, 946 F.2d 1534, 1538, 20 U.S.P.Q.2d 1456, 1458-59 (Fed. Cir. 1991). This balance can be easily upset, however, because "the doctrine of equivalents, when applied broadly, conflicts with the definitional and public-notice functions of the statutory claiming requirement." *Warner-Jenkinson*, 520 U.S. at 29.

Prosecution history estoppel is one tool that prevents the doctrine of equivalents from vitiating the notice function of claims. *Charles Greiner & Co. v. Mari-Med Mfg., Inc.*, 962 F.2d 1031, 1036, 22 U.S.P.Q.2d 1526, 1529-30 (Fed. Cir. 1992). Actions by the patentee, including claim amendments and arguments made before the Patent Office, may give rise to prosecution history estoppel. *Pharmacia & Upjohn Co. v. Mylan Pharms., Inc.*, 170 F.3d 1373, 1376-77, 50 U.S.P.Q.2d 1033, 1036 (Fed. Cir. 1999). "Prosecution history estoppel precludes a patentee from obtaining under the doctrine of equivalents coverage of subject matter that has been relinquished during the prosecution of its patent

application." *Id.* at 1376, 170 F.3d 1373, 50 U.S.P.Q.2d at 1036. Therefore, "[t]he doctrine of equivalents is subservient to . . . [prosecution history] estoppel." *Autogiro Co. v. United States,* 181 Ct. Cl. 55, 384 F.2d 391, 400-01, 155 U.S.P.Q. 697, 705 (1967). The logic of prosecution history estoppel is that the patentee, during prosecution, has created a record that fairly notifies the public that the patentee has surrendered the right to claim particular matter as within the reach of the patent.

II. *Warner-Jenkinson*

In this en banc rehearing, we focus our attention on the effect of *Warner-Jenkinson* on our case law relating to the doctrine of equivalents and prosecution history estoppel. *Festo V,* 187 F.3d at 1381-82, 51 U.S.P.Q.2d at 1959-60; *see also Shoketsu Kinzoku Kogyo Kabushiki Co. v. Festo Corp.,* 520 U.S. 1111, (1997) *("Festo III")* (remanding the case for further consideration in light of the *Warner-Jenkinson* decision).

The patent before the Court in *Warner-Jenkinson* disclosed an improved process for purifying dyes which used a method called "ultrafiltration." *Warner-Jenkinson,* 520 U.S. at 21. During prosecution, the patentee amended the claims to recite that the process is carried out "at a pH from approximately 6.0 to 9.0." *Id.* at 22. The accused process was carried out at a pH of 5.0. *Id.* at 23. In light of these facts, the Supreme Court embarked on an "endeavor to clarify the proper scope of the doctrine" of equivalents. *Id.* at 21.

The Court dismissed the arguments of *Warner-Jenkinson* (the alleged infringer) that the doctrine of equivalents, as established in *Graver Tank,* did not survive the 1952 revision of the Patent Act. *Id.* at 25-27. The Court nevertheless noted its concern that "the doctrine of equivalents, as it has come to be applied since *Graver Tank,* has taken on a life of its own." *Id.* at 28-29. The Court agreed with *Warner-Jenkinson* "that *Graver Tank* did not dispose of prosecution history estoppel as a legal limitation on the doctrine of equivalents." *Id.* at 30. However, the Court rejected *Warner-*

Jenkinson's argument "that the reason for an amendment during patent prosecution is irrelevant to any subsequent estoppel." *Id.* The Court noted that "[i]n each of our cases cited by petitioner and by the dissent below, prosecution history estoppel was tied to amendments made to avoid the prior art, or otherwise to address a specific concern—such as obviousness—that arguably would have rendered the claimed subject matter unpatentable." *Id.* at 30-31. The Court therefore saw "no substantial cause for requiring a more rigid rule invoking an estoppel regardless of the reasons for a change." *Id.* at 32 (footnote omitted).

Turning to the facts at hand, the Court noted that, although the parties did not dispute that the upper pH limit of 9.0 was added to avoid the prior art, "the reason for adding the lower limit of 6.0 is unclear." *Id.* Presented "with the problem . . . where the record seems not to reveal the reason for including the lower pH limit of 6.0," the Court "place[d] the burden on the patent holder to establish the reason for an amendment required during patent prosecution." *Id.* at 33. The Court stated that courts will have to "decide whether the [proffered] reason is sufficient to overcome prosecution history estoppel as a bar to application of the doctrine of equivalents to the element added by that amendment." *Id.* The Court also stated that "[w]here no explanation is established, . . . the court should presume that the patent applicant had a substantial reason related to patentability for including the limiting element added by the amendment." *Id.* Therefore, "prosecution history estoppel would bar the application of the doctrine of equivalents as to that element." *Id.* Because Hilton Davis had "not proffered in . . . [the Supreme] Court a reason for the addition of the lower pH limit," the Court remanded the case for this court to consider whether Hilton Davis had offered reasons for the amendment that added the lower pH limit and to determine whether Hilton Davis should be given the opportunity to establish such reasons. *Id.* at 34.

The Court rejected the other restrictions on the doctrine of equivalents proposed by *Warner-Jenkinson*. *Id.* at 35-40.

Specifically, the Court refused to "require judicial exploration of the equities of a case before allowing application of the doctrine of equivalents," *id.* at 34, refused to require "proof of intent" on the part of the alleged infringer before the doctrine of equivalents could be applied, *id.* at 35-36, and refused to adopt "independent experimentation" as "an equitable defense to the doctrine of equivalents," *id.* at 36. The Court also refused to limit the doctrine of equivalents "to equivalents that are disclosed within the patent itself," reasoning that the "proper time for evaluating equivalency . . . is at the time of infringement, not at the time the patent was issued." *Id.* at 37.

In closing, the Court stated that it chose to "adhere to the doctrine of equivalents," which "should be applied as an objective inquiry on an element-by-element basis." *Id.* at 40. The Court noted that "[p]rosecution history estoppel continues to be available as a defense to infringement." *Id.* However, "if the patent holder demonstrates that an amendment required during prosecution had a purpose unrelated to patentability, a court must consider that purpose in order to decide whether an estoppel is precluded." *Id.* at 40-41. If "the patent holder is unable to establish such a purpose, a court should presume that the purpose behind the required amendment is such that prosecution history estoppel would apply." *Id.* at 41.

III. Answers to the En Banc Questions

A. Question 1

> For the purposes of determining whether an amendment to a claim creates prosecution history estoppel, is "a substantial reason related to patentability," *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 33 (1997), limited to those amendments made to overcome prior art under § 102 and § 103, or does "patentability" mean any reason affecting

the issuance of a patent?

We answer Question 1 as follows: For the purposes of determining whether an amendment gives rise to prosecution history estoppel, a "substantial reason related to patentability" is not limited to overcoming or avoiding prior art, but instead includes any reason which relates to the statutory requirements for a patent. Therefore, a narrowing amendment made for any reason related to the statutory requirements for a patent will give rise to prosecution history estoppel with respect to the amended claim element.

It is true that in *Warner-Jenkinson* the Supreme Court focused on claim amendments made to overcome or avoid prior art. *Warner-Jenkinson,* 520 U.S. at 30-34. However, there are a number of statutory requirements that must be satisfied before a valid patent can issue and that thus relate to patentability. In addition to satisfying the novelty and non-obviousness requirements of 35 U.S.C. §§ 102 and 103, 35 U.S.C.A. §§ 102, 103 (West 1994 & Supp. 2000), the claims must be directed to patentable subject matter and the claimed invention must be useful, as set forth in 35 U.S.C. § 101 (1994). Additionally, the first paragraph of 35 U.S.C. § 112 requires that the patent specification describe, enable, and set forth the best mode of carrying out the invention, 35 U.S.C. § 112, ¶ 1 (1994), while the second paragraph of section 112 requires that the claims set forth the subject matter that the applicant regards as his invention and that the claims particularly point out and distinctly define the invention, 35 U.S.C. § 112, ¶ 2 (1994). The Patent Office will reject a patent application that fails to satisfy any one of these statutory requirements. *See Man. Pat. Exam. P.* 2100- 1 to -173 (7th ed. rev. 1 1998). And any one of these requirements may be a ground for invalidating an issued patent. *E.g.,* 35 U.S.C. § 282 (1994); *Atlas Powder Co. v. Ireco, Inc.,* 190 F.3d 1342, 51 U.S.P.Q.2d 1943 (Fed. Cir. 1999) (holding a patent invalid because the claims were anticipated under 35 U.S.C. § 102); *Mitsubishi Elec. Corp. v. Ampex Corp.,* 190 F.3d 1300, 51 U.S.P.Q.2d 1910 (Fed. Cir. 1999) (holding a patent invalid because the claims were obvious under 35 U.S.C. § 103); *State*

Street Bank & Trust Co. v. Signature Fin. Group, Inc., 149 F.3d 1368, 47 U.S.P.Q.2d 1596 (Fed. Cir. 1998) (discussing the patentable subject matter requirement of 35 U.S.C. § 101); *Process Control Corp. v. HydReclaim Corp.*, 190 F.3d 1350, 52 U.S.P.Q.2d 1029 (Fed. Cir. 1999) (holding a patent invalid because the claims were inoperative and therefore failed to satisfy the utility requirement of 35 U.S.C. § 101); *Johnson Worldwide Assoc., Inc. v. Zebco Corp.*, 175 F.3d 985, 50 U.S.P.Q.2d 1607 (Fed. Cir. 1999) (considering whether a patent claim was invalid under the written description requirement of § 112, ¶ 1); *Gentry Gallery, Inc. v. Berkline Corp.*, 134 F.3d 1473, 45 U.S.P.Q.2d 1498 (Fed. Cir. 1998) (holding claims of a patent invalid for failing to comply with the written description requirement of § 112, ¶ 1); *Enzo Biochem, Inc. v. Calgene, Inc.*, 188 F.3d 1362, 52 U.S.P.Q.2d 1129 (Fed. Cir. 1999) (holding a patent invalid because the claims were not enabled, as required by 35 U.S.C. § 112, ¶ 1); *United States Gypsum Co. v. Nat'l Gypsum Co.*, 74 F.3d 1209, 37 U.S.P.Q.2d 1388 (Fed. Cir. 1996) (holding a patent invalid for failing to satisfy the best mode requirement of 35 U.S.C. § 112, ¶ 1); *Morton Int'l, Inc. v. Cardinal Chem. Co.*, 5 F.3d 1464, 28 U.S.P.Q.2d 1190 (Fed. Cir. 1993) (holding a patent invalid because the claims failed to satisfy the definiteness requirement of 35 U.S.C. § 112, ¶ 2). An amendment related to any of these statutory requirements is an amendment made for "a substantial reason related to patentability." The law has been clear that amendments made to avoid prior art give rise to prosecution history estoppel. *E.g., Warner-Jenkinson*, 520 U.S. at 30-31 (discussing *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126 (1942), and *Keystone Driller Co. v. Northwest Eng'g Corp.*, 294 U.S. 42, (1935)). In view of the functions of prosecution history estoppel—preserving the notice function of the claims and preventing patent holders from recapturing under the doctrine of equivalents subject matter that was surrendered before the Patent Office—we see no reason why prosecution history estoppel should not also arise from amendments made for other reasons related to patentability, as described above.

Indeed, the functions of prosecution history estoppel cannot be fully satisfied if substantial reasons related to patentability are limited to a narrow subset of patentability issues. Rather, substantial reasons related to patentability include 35 U.S.C. §§ 101 and 112 issues, as well as 35 U.S.C. §§ 102 and 103 issues.

While we do not believe that the Supreme Court itself answered this question in *Warner-Jenkinson,* we do believe that our answer is not inconsistent with *Warner-Jenkinson. Warner-Jenkinson* describes prior cases as applying prosecution history estoppel *"typically* because what [was previously claimed] . . . was encompassed within the prior art," 520 U.S. at 31 (emphasis added), but no language in *Warner-Jenkinson* limits prosecution history estoppel to amendments made to avoid prior art. *See also Crawford v. Heysinger,* 123 U.S. 589, 606 (1887) (finding prosecution history estoppel to arise from amendments made in response to operability rejections). Moreover, our approach is consistent with *Warner-Jenkinson*'s requirement that an amendment "does not necessarily preclude infringement by equivalents of that element." *Id.* at 33. Thus, if a patent holder can show from the prosecution history that a claim amendment was not motivated by patentability concerns, the amendment will not give rise to prosecution history estoppel.

B. Question 2

Under *Warner-Jenkinson,* should a "voluntary" claim amendment—one not required by the examiner or made in response to a rejection by an examiner for a stated reason—create prosecution history estoppel?

We answer Question 2 as follows: Voluntary claim amendments are treated the same as other amendments. Therefore, a voluntary amendment that narrows the scope of a claim for a reason related to the statutory requirements for a patent will give rise to prosecution history estoppel as to the amended claim element.

Both voluntary amendments and amendments required by the Patent Office signal to the public that subject matter has been

surrendered. There is no reason why prosecution history estoppel should arise if the Patent Office rejects a claim because it believes the claim to be unpatentable, but not arise if the applicant amends a claim because he believes the claim to be unpatentable.

Our answer to this question is consistent with the doctrine of argument-based estoppel. Arguments made voluntarily during prosecution may give rise to prosecution history estoppel if they evidence a surrender of subject matter. *E.g., KCJ Corp. v. Kinetic Concepts, Inc.*, 223 F.3d 1351, 1359-60, 55 U.S.P.Q.2d 1835, 1841-42 (Fed. Cir. 2000) (concluding that "KCJ's statements [during prosecution] reflect a clear and unmistakable surrender" of subject matter that cannot be reclaimed through the doctrine of equivalents); *Bayer AG v. Elan Pharm. Research Corp.*, 212 F.3d 1241, 1252-53, 54 U.S.P.Q.2d 1711, 1719 (Fed. Cir. 2000) (finding that "through [Bayer's] statements to the PTO and the declarations it filed, Bayer made statements of clear and unmistakable surrender of subject matter" which it could not recapture through the doctrine of equivalents); *Pharmacia & Upjohn*, 170 F.3d at 1377, 50 U.S.P.Q.2d at 1036 ("A number of activities during prosecution may give rise to prosecution history estoppel, . . . including arguments made to obtain allowance of the claims at issue." (citation omitted)); *Southwall Techs., Inc. v. Cardinal IG Co.*, 54 F.3d 1570, 1583, 34 U.S.P.Q.2d 1673, 1682 (Fed. Cir. 1995) ("Clear assertions made during prosecution in support of patentability, whether or not actually required to secure allowance of the claim, may . . . create an estoppel."); *Texas Instruments Inc. v. United States Int'l Trade Comm'n*, 988 F.2d 1165, 1174, 26 U.S.P.Q.2d 1018, 1025 (Fed. Cir. 1993) (holding that arguments made during prosecution that emphasized one feature of the invention estopped the patent holder from asserting that a device lacking that feature infringed the patent under the doctrine of equivalents). There is no reason why an amendment-based surrender of subject matter should be given less force than an argument-based surrender of subject matter.

We also believe that our answer to this question is consistent with *Warner- Jenkinson.* Although the Supreme Court spoke of "required" amendments, the claim amendment at issue in *Warner-Jenkinson,* the addition of the lower pH limit of 6, was not "required" by the prior art rejection. The original claim recited an ultrafiltration process. *Warner-Jenkinson,* 520 U.S. at 21. The asserted prior art reference taught an ultrafiltration process conducted at a pH of above 9. *Id.* at 22. The amended claim recited an ultrafiltration process conducted "at a pH from approximately 6.0 to 9.0." *Id.* The parties did not dispute that the upper pH limit of 9.0 was added to distinguish the prior art. *Id.* at 32. The Court, however, was unable to discern the reason for the addition of the lower pH limit of 6. *Id.* at 32-33. Accordingly, the amendment at issue in *Warner-Jenkinson* appears to have been voluntary with respect to the lower pH limit. Nevertheless, the Court held that the amendment adding the lower pH limit could give rise to prosecution history estoppel. *Id.* at 34.

C. Question 3

> If a claim amendment creates prosecution history estoppel, under *Warner-Jenkinson* what range of equivalents, if any, is available under the doctrine of equivalents for the claim element so amended?

We answer Question 3 as follows: When a claim amendment creates prosecution history estoppel with regard to a claim element, there is no range of equivalents available for the amended claim element. Application of the doctrine of equivalents to the claim element is completely barred (a "complete bar").

We think it is fair to say that the question of the scope of equivalents available when prosecution history estoppel applies to a claim element has not been directly addressed or answered by the Supreme Court, at least in circumstances where the claim was amended for a known patentability reason. In *Warner-Jenkinson,* the Court focused its attention more on the circumstances under

which prosecution history estoppel arises than on the range of equivalents that might generally be available despite the existence of prosecution history estoppel. *Warner-Jenkinson*, 520 U.S. at 30-34. The Court did not discuss the upper pH limit of 9.0, other than to note that the upper limit, which narrowed the claim, was selected to overcome prior art. *Id.* at 32. The range of equivalents, if any, that could be asserted for the upper pH limit was not discussed by the Court. The only statements in *Warner-Jenkinson* as to the range of equivalents that is available when prosecution history estoppel applies are found in the Court's discussion of unexplained amendments. *Id.* at 33-34. For those amendments, the Court held that "prosecution history estoppel would bar the application of the doctrine [of] equivalents as to that element." *Id.* at 33.

1. In cases before *Warner-Jenkinson*, the Supreme Court applied prosecution history estoppel to preclude a finding of infringement under the doctrine of equivalents, but the Court did not analyze the actual scope of equivalents that might be available when prosecution history estoppel applied, i.e., the extent of the subject matter surrendered by amendment. In *Weber Electric Co. v. E.H. Freeman Electric Co.*, 256 U.S. 668 (1921), the patentee had amended his claim to an electric lamp socket to overcome prior art that taught a socket and electric bulb that were unlocked and locked together simply by rotation. The amended claim recited, instead, a bulb and socket combination that unlocked and locked by manual compression. *Id.* at 677. In light of this amendment, the Court did not allow the patentee, who had "narrowed his claim . . . to obtain a patent," to "resort to the doctrine of equivalents [and] give to the claim the larger scope which it might have had without the amendment." *Id.* Under the facts of the case, the alleged infringer practiced the exact subject matter described in the prior art, a combination that locked the bulb by rotational movement. *Id.* at 678. Thus, the Court did not need to discuss the precise contours of the subject matter surrendered by the claim amendment. A similar situation was presented in *Smith v. Magic City Kennel*

Club, 282 U.S. 784 (1931). The invention at issue in that case involved an artificial dog race track lure. *Id.* at 786-87. The patentee overcame prior art that disclosed a straight arm for holding the lure by amending his claims to recite a hinged arm. *Id.* at 788-89. The accused infringer's device used a rigid arm. *Id.* The Court did not allow the patentee to resort to the doctrine of equivalents to regain the specific subject matter the patentee had surrendered "in order to escape rejection." *Id.* at 790.

In *Magic City Kennel Club,* as in *Weber,* the accused device read on the prior art, which in and of itself mandates a finding of noninfringement, *see Wilson Sporting Goods Co. v. David Geoffrey & Assocs.,* 904 F.2d 677, 683-85, 14 U.S.P.Q.2d 1942, 1947-49 (Fed. Cir. 1990) (noting that the doctrine of equivalents cannot be applied to encompass the prior art). In *Exhibit Supply Co. v. Ace Patents Corp.,* 315 U.S. 126 (1942), the patentee amended the claim at issue to overcome general prior art cited by the examiner. He did so by changing the claim to recite a conductor device that was "embedded in" a game table (pinball machine) instead of one that was "carried by" the table. *Exhibit Supply,* 315 U.S. at 136-37. The Court held that the patentee could not thereafter, through the doctrine of equivalents, obtain coverage of accused devices in which the "conductor means" was carried by the game table instead of imbedded in it. *Id.* It is unclear from the Court's opinion whether the accused device was in the prior art cited by the examiner in his rejection. *Id.* at 133 (quoting the examiner's assertion that it was plainly "old in the art to make an electrical contact by flexing a coil spring as shown by the art already cited in the case"). The Court stated, however:

> Had Claim 7 been allowed in its original form, it would have read upon all ~~the~~ accused devices, since in all the conductor means complementary to the coil spring are "carried by the table." By striking that phrase from the claim and substituting

> for it "embedded in the table," the applicant restricted his claim to those combinations in which the conductor means, though carried on the table, is also embedded in it. By the amendment, he recognized and emphasized the difference between the two phrases and proclaimed his abandonment of all that is embraced in that difference.

Id. at 136. The Court never addressed the exact range of equivalents that might still be available under the amended claim, and the "difference between" the original claim and the amended claim, the difference said by the Court to have been abandoned by the patentee, was never explicitly defined.

In his dissenting opinion, Judge Michel relies upon *Goodyear Dental Vulcanite Co. v. Davis,* 102 U.S. 222, and *Hurlbut v. Schillinger,* 130 U.S. 456 (1889), for the proposition that a patentee is entitled to a range of equivalents despite the fact that the scope of a claim has been limited by amendment. We do not believe, however, that either of these cases addresses the issue presented in En Banc Question 3: the range of equivalents, if any, that is available under the doctrine of equivalents for a claim element that has been amended by an amendment that creates prosecution history estoppel.

As issued, the claim in *Goodyear* described "rubber or some other elastic material" for a dental plate. *Goodyear,* 102 U.S. at 224-25. During reissue the claim was amended to describe a dental plate of hard or "vulcanized" rubber. *Id.* at 228. Looking to the reissue amendment, the Court concluded that the patentee "regarded the patent to be for a manufacture made exclusively of vulcanites by the detailed process." *Id.* The Court determined that there could be no infringement where the defendant's product used celluloid. *Id.* at 229-30. The Court did not discuss prosecution history estoppel, but simply decided that under the language of the reissued patent celluloid was not equivalent to "hard rubber or vulcanite or its equivalent."

Hurlbut involved a patent which had been reissued and in which a disclaimer had been filed. *Hurlbut,* 130 U.S. at 462-63. The reissue added a second claim, but did not amend any claim language. *Id.* Claim 1 recited "[a] concrete pavement laid in detached blocks or sections, substantially in the manner shown and described." *Id.* at 463. Claim 2 recited an "arrangement of tar paper, or its equivalent, between adjoining blocks of concrete, substantially as and for the purpose set forth." *Id.* The patentee disclaimed "the forming of blocks from plastic material without interposing anything between their joints while in the process of formation." *Id.* In the face of this disclaimer, the Court construed the claims to require that the division of the concrete paving blocks be "effected by either a permanent or temporary imposition of something between the blocks." *Id.* at 465. The Court held that both claims were infringed by a process in which a trowel was used to cut a concrete layer into blocks. *Id.* at 469. In referring to equivalents the Court was referring to the language of the claims ("substantially" in claim 1 and "or its equivalents" in claim 2). Thus, the Court did not discuss the issue of the scope of equivalents that remained under the doctrine of equivalents after the disclaimer.

Neither do we believe that in any of the other cases noted by Judge Michel did the Court determine that a claim element that was amended by an amendment that gave rise to prosecution history estoppel was entitled to a range of equivalents. *See Cal. Artificial Stone-Pav Co. v. Schalicke,* 119 U.S. 401, 407 (1886) (stating that there was no infringement "under any construction which it is possible to give the claims"); *Fay v. Cordesman,* 109 U.S. 408, 420-21 (1883) (finding that the accused device lacked material elements of the claimed inventions without discussing prosecution history estoppel or the doctrine of equivalents); *Shepard v. Carrigan,* 116 U.S. 593, 597-98 (1886) (reversing a judgment of infringement and noting that the prior art and the accused device depicted a skirt protector without a "fluted or plaited band or border," while the patent described a skirt protector with such a border); *Sutter v. Robinson,* 119 U.S. 530, 541-42 (1886)

(reversing a judgment of infringement and stating that the prior art and the accused device involved a metal box for storing tobacco leaves, while the patent described a wooden box); *Phoenix Caster Co. v. Spiegel,* 133 U.S. 360, 364, 368-69 (1890) (holding that there was no infringement because the accused device did not have, as the claim recited, a "rocker-formed collar-bearing, or its mechanical equivalent"); *Royer v. Coupe,* 146 U.S. 524, 531-32 (1892) (determining that the defendants could not infringe "under the proper construction of the claim of the patent" because the process they practiced lacked an element of the claimed process); *Hubbell v. United States,* 179 U.S. 77, 80, 85 (1900) (using prosecution history to construe the claim and finding no infringement, without discussing prosecution history estoppel).

In short, the range of equivalents available to an amended claim element simply was not before the Supreme Court in the cases Judge Michel cites, and the Supreme Court did not discuss the issue presented in En Banc Question 3. Although a court must follow "explicit and carefully considered" language of the Supreme Court, *see Stone Container Corp. v. United States,* 229 F.3d 1345, 1350 (Fed. Cir. 2000), none of the language cited by Judge Michel constitutes explicit and carefully considered language regarding the range of equivalents available when a claim amendment gives rise to prosecution history estoppel.

2. Because the Supreme Court has not fully addressed the range of equivalents that is available once prosecution history estoppel applies, we must independently decide the issue. Congress specifically created the Federal Circuit to resolve issues unique to patent law, *Markman v. Westview Instruments, Inc.,* 517 U.S. 370, 390 (1996) (citing H.R. Rep. No. 97-312, pp. 20-23 (1981)), such as those regarding prosecution history estoppel, which is a judicially created doctrine, *Hormone Research Found., Inc. v. Genentech, Inc.,* 904 F.2d 1558, 1564, 15 U.S.P.Q.2d 1039, 1044 (Fed. Cir. 1990). Congress contemplated that the Federal Circuit would "strengthen the United States patent system

in such a way as to foster technological growth and industrial innovation." *Markman,* 517 U.S. at 390. Issues such as the one before us in this case are properly reserved for this court to answer with "its special expertise." *Warner-Jenkinson,* 520 U.S. at 40 (reserving explicitly for the Federal Circuit the task of formulating the proper test(s) for infringement under the doctrine of equivalents).

The Federal Circuit first addressed the range of equivalents that is available when prosecution history applies in *Hughes Aircraft Co. v. United States,* 717 F.2d 1351, 219 U.S.P.Q. 473 (Fed. Cir. 1983) *("Hughes I").* In that case, we recognized that, prior to creation of the Federal Circuit, some regional circuits had followed a flexible bar approach to prosecution history estoppel, whereas others had applied a strict rule of complete surrender when prosecution history estoppel applied. *Id.* at 1362-63, 219 U.S.P.Q. at 481-82. We decided to apply prosecution history estoppel as a flexible bar, stating that prosecution history estoppel "may have a limiting effect" on the doctrine of equivalents "within a spectrum ranging from great to small to zero." *Id.* at 1363, 219 U.S.P.Q. at 481-82.

LaBounty Manufacturing, Inc. v. United States International Trade Commission, 867 F.2d 1572, 9 U.S.P.Q.2d 1995 (Fed. Cir. 1989), is an example of the flexible bar approach. In *LaBounty,* we vacated the noninfringement determination of the International Trade Commission ("ITC") and remanded the case to the ITC for further proceedings because the administrative law judge ("ALJ") had failed to determine the scope of prosecution history estoppel and had held, instead, that once an element of a claim is amended, no equivalent of that element can be asserted. *LaBounty,* 867 F.2d at 1576, 9 U.S.P.Q.2d at 1999. In *Black & Decker, Inc. v. Hoover Service Center,* 886 F.2d 1285, 1295, 12 U.S.P.Q.2d 1250, 1258-59 (Fed. Cir. 1989), we held that an amendment made during prosecution did not prevent a finding of infringement under the doctrine of equivalents. We reasoned that although the amendment would bar infringement under the doctrine

of equivalents with respect to a device similar to the prior art that had provoked the amendment, prosecution history estoppel did not prevent all applications of the doctrine of equivalents. *Id.; see also Dixie USA, Inc. v. Infab Corp.*, 927 F.2d 584, 588, 17 U.S.P.Q.2d 1968, 1970-71 (Fed. Cir. 1991) (noting that prosecution history estoppel should not cause "a total preclusion of equivalence"). Similarly, in *Modine Manufacturing Co. v. United States International Trade Commission,* 75 F.3d 1545, 1555-56, 37 U.S.P.Q.2d 1609, 1616 (Fed. Cir. 1996), we vacated the ALJ's holding of lack of infringement under the doctrine of equivalents due to prosecution history estoppel because, although "the available range of equivalency is limited, by estoppel, . . . the prosecution history and the prior art do not eliminate equivalents."

Less than a year after *Hughes I,* however, a five-judge panel of this court decided *Kinzenbaw v. Deere & Co.,* 741 F.2d 383, 222 U.S.P.Q. 929 (Fed. Cir. 1984). The claimed invention in *Kinzenbaw* was "[a]n apparatus for forming seed planting furrows." *Id.* at 388, 222 U.S.P.Q. at 932. The claim element at issue related to "a pair of depth gauge compacting wheels" that controlled the depth of the furrow created by the planter. *Id.* During prosecution, in order to overcome an examiner's rejection and to obtain his patent, the inventor narrowed his claims by specifying, among other things, that the gauge wheels had to have a radius less than that of the radius of the blades of the planter (called "discs"). *Id.* On the accused device, the gauge wheels had a radius greater than that of the discs. *Id.* at 388- 89, 222 U.S.P.Q. at 932. Consequently, the accused device could not literally infringe. As a result, the patentee (Deere) sought to prove infringement under the doctrine of equivalents. *Id.* at 389, 222 U.S.P.Q. at 932. The district court concluded that prosecution history estoppel precluded Deere from relying upon the doctrine of equivalents. *Id.,* 222 U.S.P.Q. at 933. The court determined that, as far as the gauge wheels were concerned, the inventor had intentionally

narrowed his claims, and it refused to permit Deere to avoid, through the doctrine of equivalents, the limitation that the inventor had placed on his claims. *Id.*

On appeal, Deere urged that prosecution history estoppel did not apply because the inventor's limitation of his claims to devices in which the gauge wheels had a smaller radius than that of the discs was unnecessary to distinguish the prior art. *Id.* Specifically, Deere contended that only that portion of the claim that provided that the radius of the gauge wheels had to exceed the distance from the axes of the wheels to the rear edges of the discs was necessary in order to render the claims patentable over the prior art. *Id.* The five-judge panel rejected Deere's argument. It stated: "We decline to undertake the speculative inquiry whether, if . . . [the inventor] had made only that narrowing limitation in his claim, the examiner nevertheless would have allowed it." *Id.* The court therefore affirmed the district court's judgment of noninfringement. *Id.* at 391, 222 U.S.P.Q. at 934.

The approach to prosecution history estoppel that was followed in *Kinzenbaw* prompted the following observation by Professor Chisum: "Beginning shortly after its creation in 1982, the Federal Circuit developed two lines of authority on the scope of an estoppel based on an amendment or argument that distinguished the prior art. One line followed a strict approach, according to which a court refused to speculate whether a narrower amendment would have been allowed. The other line followed a flexible or spectrum approach, which recognized that amendments did not invariably preclude all equivalence . ..." 5A Donald S. Chisum, *Chisum on Patents* § 18.05[3][b], at 18-492 (1998). Soon after *Hughes I* and *Kinzenbaw* were decided they were the subject of comment in the American University Law Review, which annually reviews the work of the Federal Circuit. The commentators stated that the Federal Circuit's "two divergent lines of authority dealing with prosecution history estoppel," the *Hughes I* line

and the *Kinzenbaw* line, had given rise to ever- increasing "uncertainty and confusion" in patent litigation. Douglas A. Strawbridge et al., Area Summary, *Patent Law Developments in the United States Court of Appeals for the Federal Circuit During 1986,* 36 Am. U.L. Rev. 861, 887-88 (1987). The commentary that began after *Hughes I* and *Kinzenbaw* were decided has continued. *See, e.g.,* Gregory J. Smith, *The Federal Circuit's Modern Doctrine of Equivalents in Patent Infringement,* 29 Santa Clara L. Rev. 901, 921 (1989) (noting that there is at least an "apparent conflict" between *Hughes I* and *Kinzenbaw);* Note, *To Bar or Not to Bar: Prosecution History Estoppel After Warner-Jenkinson,* 111 Harv. L. Rev. 2330, 2336 (1998) (stating that the *Hughes I* line of cases "appear[s] to be irreconcilable" with the *Kinzenbaw* line of cases).

Since *Warner-Jenkinson,* panels of this court have continued to visit the question of the range of equivalents that is available after prosecution history estoppel has been determined to exist. Two cases in particular were remanded by the Supreme Court for further consideration in light of *Warner-Jenkinson. Honeywell, Inc. v. Litton Sys., Inc.,* 520 U.S. 1111 (1997); *United States v. Hughes Aircraft Co.,* 520 U.S. 1211 (1997). In *Litton Systems, Inc. v. Honeywell, Inc.,* 140 F.3d 1449, 1455-57, 46 U.S.P.Q.2d 1321, 1325 (Fed. Cir. 1998), this court determined that *Warner-Jenkinson* had not changed the "longstanding doctrine that an estoppel only bars recapture of that subject matter actually surrendered during prosecution." The court noted that "the Supreme Court did not reach the question of the proper scope of estoppel for an amended limitation," and thus concluded that *Warner-Jenkinson* did not affect our already established jurisprudence on the issue. *Id.* at 1457, 46 U.S.P.Q.2d at 1327. A similar analysis and conclusion were set forth in *Hughes Aircraft Co. v. United States,* 140 F.3d 1470, 1476-77, 46 U.S.P.Q.2d 1285, 1289-90 (Fed. Cir. 1998) *("Hughes II").* The alleged infringer in that case argued that

Warner-Jenkinson mandated that prosecution history estoppel act as a complete bar and preclude any finding of infringement under the doctrine of equivalents. *Hughes II,* 140 F.3d at 1476, 46 U.S.P.Q.2d at 1289. In rejecting this argument, this court stated that there must be a determination as to the exact "subject matter the patentee actually surrendered." *Id.* at 1476-77, 46 U.S.P.Q.2d at 1290. Because the accused device did not "fall within the range of subject matter surrendered," infringement under the doctrine of equivalents was not barred. *Id.* The court denied rehearing en banc in both *Litton* and *Hughes II,* over dissents from the denials. *Litton Sys., Inc. v. Honeywell, Inc.,* 145 F.3d 1472, 47 U.S.P.Q.2d 1106 (Fed. Cir. 1998); *Hughes Aircraft Co. v. United States,* 148 F.3d 1384, 47 U.S.P.Q.2d 1542 (Fed. Cir. 1998).

Both *Litton* and *Hughes II* follow the *Hughes I* flexible bar approach to prosecution history estoppel. In that regard, they are consistent with Professor Chisum's observation that "[m]ost Federal Circuit panel decisions from 1984 to 1997 followed the flexible approach, which had been initiated in 1983 by the *Hughes Aircraft [Hughes I]* decision . . .." Chisum, *supra,* § 18.05[3][b][i], at 18-497. Nevertheless, this court has neither repudiated *Kinzenbaw* nor reconciled the inconsistency between the *Hughes I* and *Kinzenbaw* lines of authority. Under these circumstances, it is unclear whether in any given case the court will apply the *Kinzenbaw* approach as opposed to the more generally accepted *Hughes I* approach. Just as importantly, even if the *Hughes I* approach is applied, there is uncertainty as to the extent of the surrender that will be held to exist. Thus, Professor Chisum has discussed two Federal Circuit cases, *Sun Studs, Inc. v. ATA Equip. Leasing, Inc.,* 872 F.2d 978, 10 U.S.P.Q.2d 1338 (Fed. Cir. 1989), and *Environmental Instruments, Inc. v. Sutron Corp.,* 877 F.2d 1561, 11 U.S.P.Q.2d 1132 (Fed. Cir. 1989), as illustrating the "predictive difficulties of the flexible approach." Chisum, *supra,* § 18.05[3][b][ii], at 18-505 to 18-506. In a like vein, it has been stated that "the criteria used by the court to

determine the effect of an estopping amendment have not been set forth in any clear or systematic way" and that "[t]he Federal Circuit's well-known observation that '[d]epending on the nature and purpose of an amendment, it may have a limiting effect from great to small to zero,' for example, tells little about what the relationship is between the 'nature and purpose' of an amendment and its limiting effect." Ted Apple, *Enablement Estoppel: Should Prosecution History Estoppel Arise When Claims Are Amended To Overcome Enablement Rejections?*, 13 Santa Clara Computer & High Tech L.J. 107, 128 (1997) (footnotes omitted).

3. Today, we revisit the question we first addressed in *Hughes I* and come to a different conclusion as to the proper scope of equivalents that is available when prosecution history estoppel applies than we did in that case. We hold that prosecution history estoppel acts as a complete bar to the application of the doctrine of equivalents when an amendment has narrowed the scope of a claim for a reason related to patentability. Our decision to reject the flexible bar approach adopted in *Hughes I* comes after nearly twenty years of experience in performing our role as the sole court of appeals for patent matters. In those years, the notice function of patent claims has become paramount, and the need for certainty as to the scope of patent protection has been emphasized. A problem with the flexible bar approach is that it is virtually impossible to predict before the decision on appeal where the line of surrender is drawn. The patentee would draw the line just at or slightly short of the prior art, leaving a wide range of equivalents untouched by prosecution history estoppel. The accused infringer, however, would draw the line close to the literal terms of the claims, leaving little or no range of equivalents. These considerations, we think, contribute to the difficulty under the flexible bar approach in predicting with any degree of certainty the scope of surrender that will be found when prosecution history estoppel applies.

In reaching our holding, we are mindful of the Supreme Court's teaching that binding precedent is not to be lightly discarded. The Court has stated that stare decisis "promotes the evenhanded,

predictable, and consistent development of legal principles, fosters reliance on judicial decisions and contributes to the actual and perceived integrity of the judicial process." *Payne v. Tennessee,* 501 U.S. 808, 827 (1991). The Court also has stated that while from time to time it has overruled governing decisions that are "unworkable or are badly reasoned," it has rarely done so "on grounds not advanced by the parties." *United States v. Int'l Bus. Machs. Corp.,* 517 U.S. 843, 856 (1996) (citations omitted).

We believe that the current state of the law regarding the scope of equivalents that is available when prosecution history estoppel applies is "unworkable." In patent law, we think that rules qualify as "workable" when they can be relied upon to produce consistent results and give rise to a body of law that provides guidance to the marketplace on how to conduct its affairs. After our long experience with the flexible bar approach, we conclude that its "workability" is flawed. Moreover, in overruling *Hughes I,* we are not acting "on grounds not advanced by the parties." SMC and amici curiae have urged us to follow the strict approach to prosecution history estoppel that we adopt today. In Banc Opening Br. of Defs.-Appellants SMC Corp., et al., at 49-53; *see also* Br. for Amici Curiae Int'l Bus. Machs. Corp., Eastman Kodak Co., and Ford Motor Co., at 14-20 (arguing that no range of equivalents should be available for narrowing claim amendments).

We also believe that the flexible bar approach "poses a direct obstacle to the realization of important objectives." *Patterson v. McLean Credit Union,* 491 U.S. 164, 173 (1989) (setting forth the "traditional justification[s] for overruling a prior case"). These objectives include giving effect, when prosecution history estoppel arises, to a narrowing amendment's operation as a disclaimer of subject matter, *see, e.g., Exhibit Supply,* 315 U.S. at 136-37, preserving the notice function of patent claims, *see, e.g., Warner-Jenkinson,* 520 U.S. at 29, and promoting certainty in patent law, *see, e.g., Markman,* 517 U.S. at 390. The realization of these objectives cannot help but be frustrated by the uncertainty

inherent in the flexible bar approach.

By making prosecution history estoppel act as a complete bar, we enforce the disclaimer effect of a narrowing claim amendment. By narrowing his claims, a patentee disclaims subject matter encompassed by the original claims. *E.g., Exhibit Supply,* 315 U.S. at 136-37; *Magic City Kennel Club,* 282 U.S. at 790; *Shepard,* 116 U.S. at 598 (noting that a patentee who has narrowed a claim during prosecution cannot "enlarge her patent by argument so as to cover elements not falling within its terms, and which she had explicitly abandoned"). As the Supreme Court has stated, "By amendment [the patentee] recognize[s] and emphasize[s] the difference between the" original claim and amended claim "and proclaim[s] . . . abandonment of all that is embraced in that difference." *Exhibit Supply,* 315 U.S. at 136. Amendments "must be strictly construed against the inventor and in favor of the public, and looked upon as in the nature of disclaimers." *Hubbell,* 179 U.S. at 83-84. In order to construe such amendments strictly against the patentee, no scope of equivalents can be afforded to a claim element that was narrowed because of patentability concerns. Although we do not understand older Supreme Court cases to have spoken directly to the question before us, we think the language used in those cases suggesting a strict measurement of the scope of equivalents is consistent with our answer to this question.

Allowing some range of equivalents gives the patentee some benefit of the doubt as to what was disclaimed, a benefit that comes at the public's expense. A complete bar therefore best serves the notice and definitional function of patent claims. "The object of the patent law in requiring the patentee [to specifically define his invention] is not only to secure to him all to which he is entitled, but to apprise the public of what is still open to them." *McClain v. Ortmayer,* 141 U.S. 419, 424 (1891). But "the doctrine of equivalents, when applied broadly, conflicts with the definitional and public-notice functions of the statutory claiming requirement." *Warner-Jenkinson,* 520 U.S. at 29. If prosecution history

estoppel acts as a complete bar to application of the doctrine of equivalents, both the patentee and the public are on notice as to the scope of protection provided by a claim element narrowed for a reason related to patentability. The patentee and the public can look to the prosecution history, a public record, to determine if any prosecution history estoppel arises as to any claim element. If so, that element's scope of protection is clearly defined by its literal terms.

The Supreme Court recognized the value of a complete bar in *Warner-Jenkinson* when it discussed the presumption that prosecution history estoppel applies when an amendment is unexplained. The Court, keeping in mind "that claims do indeed serve both a definitional and a notice function," held that if the presumption was not rebutted, "prosecution history estoppel would bar the application of the doctrine [of] equivalents as to that element." *Id.* at 33 (emphasis added); *see also infra* Answer to En Banc Question 4. A complete bar to the doctrine of equivalents for unexplained amendments would give, as the Court stated, "proper deference to the role of claims in defining an invention and providing public notice," *Warner- Jenkinson,* 520 U.S. at 33. A complete bar similarly serves the definitional and notice functions when explained amendments give rise to prosecution history estoppel. Regardless of whether the amendment is explained or unexplained, if the amendment narrows the scope of the claim for a reason related to patentability, a complete bar to the doctrine of equivalents provides the public and the patentee with definite notice as to the scope of the claimed invention.

A complete bar also eliminates the public's need to speculate as to the subject matter surrendered by an amendment that narrows a claim for a reason related to patentability. There are several aspects of the prosecution history estoppel inquiry where speculation is not allowed. The Supreme Court has noted that we need not inquire into the correctness of the examiner's rejection that led to a claim amendment. *Warner-Jenkinson,* 520 U.S. at 33 n. 7 (citing *Magic City Kennel Club,* 282 U.S. at 789-90). Even if the

rejection is improper, the amendment may still give rise to prosecution history estoppel. *Id.* In addition, we do not speculate as to whether any given amendment was material to the prosecution of the patent because "[t]he patentee makes them all material by the restricted form of his claim." *Hubbell,* 179 U.S. at 84 (citations omitted). In view of the reluctance to entertain speculative inquiries in other aspects of prosecution history estoppel, a speculative inquiry should not be required to determine the scope of equivalents still available for a claim element narrowed for a reason related to patentability. A complete bar avoids such an inquiry.

Under the flexible bar approach, however, the exact range of equivalents when prosecution history estoppel applies is virtually unascertainable, with only the prior art marking the outer limits of the claim's scope. There is no precise metric to determine what subject matter was given up between the original claim and the amended claim. Consider, for example, a claim that originally recited a value "less than twenty" that was amended to recite a value "less than five" in light of a rejection over prior art disclosing a value of fifteen.[22] What subject matter was abandoned under the flexible approach? Is the patentee limited to values that are closer to five than fifteen, or can he reach any value less than fifteen? Can the patentee encompass by equivalents a value of ten, or would that recapture part of the surrendered subject matter? Put simply, it is impossible, even under this basic example, for the public or the patentee to determine the precise range of equivalents available under the flexible bar approach. This creates a "zone of uncertainty which enterprise and experimentation may enter only at the risk of infringement claims . . . [and which] discourage[s] invention only a little less than unequivocal foreclosure of the field." *Markman,* 517 U.S. at 390 (quoting *United Carbon Co. v. Binney & Smith Co.,* 317 U.S. 228, 236, (1942)). "The public [would] be deprived of rights supposed to belong to it, without being clearly told what

---

[2] A similar problem presents itself under the facts of Warner- Jenkinson, where the claim was amended to recite an upper pH limit of 9.0 to overcome prior art disclosing a pH above 9.0. *Warner-Jenkinson,* 520 U.S. at 32

it is that limits these rights." *Markman*, 517 U.S. at 390 (quoting *Merrill v. Yeomans*, 94 U.S. 568, 573 (1876)).

A complete bar, unlike a flexible bar, thus lends certainty to the process of determining the scope of protection afforded by a patent. With a complete bar, both the public and the patentee know that once an element of a claim is narrowed by amendment for a reason related to patentability, that element's scope of coverage will not extend beyond its literal terms. There is no speculation or uncertainty as to the exact range of equivalents that might be available. This certainty aids both the public and the patentee in ascertaining the true scope and value of the patent without having to resort to litigation to obtain a case by case analysis of what subject matter the claims can cover. With a complete bar, neither the public nor the patentee is required to pay the transaction costs of litigation in order to determine the exact scope of subject matter the patentee abandoned when the patentee amended the claim.

Thus, under the complete bar approach, technological advances that would have lain in the unknown, undefined zone around the literal terms of a narrowed claim under the flexible bar approach will not go wasted and undeveloped due to fear of litigation. The public will be free to improve on the patented technology and design around it without being inhibited by the threat of a lawsuit because the changes could possibly fall within the scope of equivalents left after a claim element has been narrowed by amendment for a reason related to patentability. This certainty will stimulate investment in improvements and design-arounds because the risk of infringement will be easier to determine. In general, the difficulty in counseling the public and the patentee on the scope of protection provided by an amended element is greatly reduced under the complete bar approach due to the certainty and predictability such a bar produces.

Finally, we see no overriding benefit to the flexible bar approach. Although a flexible bar affords the patentee more protection under the doctrine of equivalents, we do not believe that the benefit outweighs the costs of uncertainty. The Supreme

Court noted in *Warner-Jenkinson* that the doctrine of equivalents has "taken on a life of its own, unbounded by the patent claims." *Warner-Jenkinson,* 520 U.S. at 28-29. A complete bar reins in the doctrine of equivalents, making claim scope more discernible and preserving the notice function of claims. The Court indicated that the application of a complete bar allowed prosecution history estoppel to place "reasonable limits on the doctrine of equivalents, and further insulate[ ] the doctrine from any feared conflict with the Patent Act." *Id.* The application of a complete bar to the doctrine of equivalents whenever a claim amendment gives rise to prosecution history estoppel similarly reduces the conflict and tension between the patent protection afforded by the doctrine of equivalents and the public's ability to ascertain the scope of a patent.

D. Question 4

> When "no explanation [for a claim amendment] is established," *Warner-Jenkinson,* 520 U.S. at 33, 117 S. Ct. 1040, thus invoking the presumption of prosecution history estoppel under *Warner-Jenkinson,* what range of equivalents, if any, is available under the doctrine of equivalents for the claim element so amended?

We answer Question 4 as follows: When no explanation for a claim amendment is established, no range of equivalents is available for the claim element so amended.

This question is answered by *Warner-Jenkinson:*

> Where no explanation is established, ... prosecution history estoppel would *bar the application of the doctrine [of] equivalents* as to that element.

Warner-Jenkinson, 520 U.S. at 33 (emphasis added). In answering this question, we affirm what we stated in *Sextant,* 172

F.3d at 832, 49 U.S.P.Q.2d at 1875: when "the *Warner-Jenkinson* presumption is applicable, . . . the prosecution history estoppel arising therefrom is total and completely 'bars' the application of the doctrine of equivalents as to the amended limitation."

E. Question 5

> Would a judgment of infringement in this case violate *Warner-Jenkinson*'s requirement that the application of the doctrine of equivalents "is not allowed such broad play as to eliminate [an] element in its entirety," 520 U.S. at 29. In other words, would such a judgment of infringement, post *Warner-Jenkinson,* violate the "all elements" rule?

We do not need to reach this question for reasons which will become clear in our discussion of the specific case before us. Accordingly, we leave for another day any discussion of the "all elements" rule.

IV. Infringement of Festo's Patents

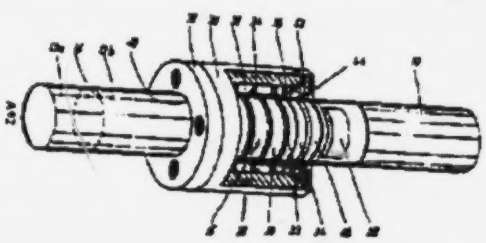
Festo is the owner by assignment of the Stoll patent and the Carroll patent, both of which are directed to magnetically coupled rodless cylinders. Festo sued SMC in the United States District Court for the District of Massachusetts, alleging infringement of the patents. The jury found that SMC infringed the Stoll patent under the doctrine of equivalents and assessed damages accordingly. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.,* No. 88-1814-PBS, slip op. at 2-3 (D. Mass. Oct. 27, 1994) (Judgment) *("Festo I (Judgment)").* The district court previously had granted Festo's motion for summary judgment that certain models of SMC's rodless cylinders infringed the Carroll patent, also under the doctrine of equivalents. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.,* No. 88-1814-PBS, slip op. at 14-15

(D.Mass. July 11, 1994) (Order) *("Festo I (Order)).*[3]

A. The Patents and Technology at Issue

Both the Stoll patent and the Carroll patent disclose magnetic rodless cylinders. The claimed devices are composed of three basic parts: a piston, a cylinder, and a sleeve. In basic terms, the piston is on the inside of the cylinder, and is moved by fluid under pressure. The sleeve is on the outside of the cylinder, and is magnetically coupled to the piston. The magnetic attraction between the sleeve and the piston causes the sleeve to follow the piston when it moves along the inside of the cylinder. The sleeve is used to move objects on a conveying system.

1. The application for the Stoll patent was filed on May 28, 1980; the patent issued on October 12, 1982. The following figure, the only drawing in the patent, shows the sleeve (18), the cylinder (10), and the piston (16) of the Stoll device:



[3] On the first appeal to this court, the panel affirmed the judgment of infringement under the doctrine of equivalents of both the Stoll and Carroll patents. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.,* 72 F.3d for a writ of certiorari, which the Court granted, vacating the judgment and remanding the case to this court for further consideration in light of 857, 37 U.S.P.Q.2d 1161 (Fed. Cir. 1995) *("Festo II").* After that decision, the Supreme Court decided *Warner-Jenkinson.* SMC had petitioned the Court *Warner-Jenkinson* (a sequence of events called a "GVR"). *Festo III,* 520 U.S. at 1111. On remand, a panel of this court again affirmed the district court's judgment of infringement under the doctrine of equivalents. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.,* 172 F.3d 1361, 50 U.S.P.Q.2d 1385 (Fed. Cir. 1999) *("Festo IV").* SMC then petitioned for rehearing en banc, which we granted. *Festo V,* 187 F.3d at 1381, 51 U.S.P.Q.2d at 1959.

Inside the cylinder, the piston is driven by a pressurized fluid. Stoll patent, col. 3, ll. 13-19. As the piston travels through the cylinder, the magnetically coupled sleeve follows the piston along the outside of the cylinder. *Id.*

The piston includes magnets (20) and two "elastomeric sealing rings" (26). *Id.* at col. 3, ll. 20-32. The sealing rings prevent any impurities from getting on the piston. *Id.* at col. 3, ll. 48-55. There also are a pair of "guide rings" (24) on the piston. *Id.* at col. 3, ll. 26-30. As the patent explains, the guide rings, which project beyond the piston's surface, "pass along the internal [cylinder] surface in a sliding fit," *id.* at col. 3, ll. 29-30, and help prevent impurities from dirtying the piston, *id.* at col. 3, ll. 51-55.

The sleeve of the Stoll patent device is made of multiple parts that include magnets (32) and an outer body made of a magnetizable material (30). *Id.* at col. 3, ll. 60-65. According to the patent, the magnetizable material on the sleeve that encircles the sleeve's magnets allows "magnetic leakage fields in the vicinity of the driven assembly to be kept to a minimum," preventing any unwanted braking forces. *Id.* at col. 2, ll. 24-35.

Claim 1 of the Stoll patent is representative of the claims asserted by Festo, and is the only claim of the Stoll patent at issue on appeal:

> 1. In an arrangement having a hollow cylindrical tube and driving and driven members movable thereon for conveying articles, the improvement comprising
>
> wherein said tube is made of a nonmagnetic material,
>
> wherein said driving member is a piston movably mounted on the inside of said tube, said piston having a piston body and plural axially spaced, first permanent annular magnets encircling said piston body,

said piston further including first means spacing said first permanent magnets in said axial spaced relation, the radially peripheral surface of said magnets being oriented close to the internal wall surface of said tube,

said piston further including plural guide ring means encircling said piston body and slidingly engaging said internal wall and first sealing rings located axially outside said guide rings for wiping said internal wall as said piston moves along said tube to thereby cause any impurities that may be present in said tube to be pushed along said tube so that said first annular magnets will be free of interference from said impurities,

wherein said driven member includes a cylindrical sleeve made of a magnetizable material and encircles said tube,

said sleeve having plural axially spaced second permanent annular magnets affixed thereto and in magnetically attracting relation to said first permanent annular magnets,

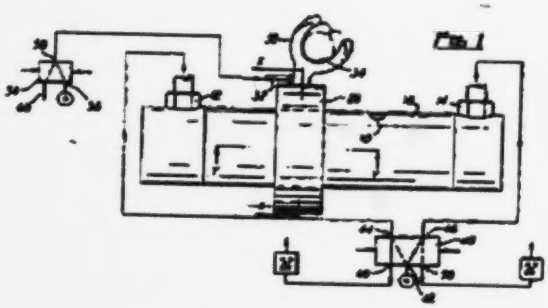
and second means spacing said second permanent annular magnets in said axially spaced relation, the radially inner surface of said magnets being oriented close to the external surface of said tube,

said sleeve having end face means with second sealing rings located axially outside said second permanent annular magnets for wiping the external wall surface of said tube as said driven member is moved along said tube in response to a driving movement of said piston to thereby cause any impurities that may be present

> on said tube to be pushed along said tube so that said second permanent annular magnets will be free of interference from said impurities.

Stoll patent, col. 5, l.23-col. 6, l. 18 (paragraphing added).

2. The application for the Carroll patent was filed on February 17, 1972; the patent issued on December 18, 1973. A reexamination certificate was issued on October 25, 1988, with amended claims. The Carroll patent is directed to the same technology as the Stoll patent. An exterior view of the Carroll patent device is shown in Figure 1 of the Carroll patent, reproduced below:



In the disclosed embodiment, the sleeve (28) is described as a permanent magnet that is attached to a gripping device (30) and that surrounds part of the exterior of the cylinder (10). Carroll patent, col. 2, ll. 17-26. As in the device of the Stoll patent, the sleeve of the Carroll patent moves along the cylinder in response to a magnetic piston which moves inside the cylinder. *Id.* Each end of the piston has a sealing ring set in an annular groove. *Id.* at col. 2, ll. 1-16. According to the patent, the sealing rings "engage the inner wall of the cylinder and form a fluid tight seal" that allows compressed air, or any other pressurized fluid, injected into port (12) or (14) on the outside of the cylinder to move the piston in either direction. *Id.* at col. 2, ll. 10-16, 42-59. The polarization of the magnets on the piston and the sleeve causes the sleeve, which is located on the outside of the cylinder, to follow the movement of the piston, which is located on the inside of the

cylinder. *Id.* at col. 2, ll. 17-24.

Claim 9 of the reexamined Carroll patent is representative of the claims asserted by Festo:

> 9. A device for moving articles, which comprises:
>
> a hollow cylinder formed of non-ferrous material and having opposite axial ends;
>
> a piston mounted in the interior of the hollow cylinder and reciprocatingly slidable therein, the piston including a central mounting member disposed axially in the cylinder,
>
> a plurality of cylindrically-shaped permanent magnets mounted on the central mounting member and spaced apart axially from each other, each magnet having a bore formed axially there-through for receiving the central mounting member,
>
> at least one pair of end members mounted on the central mounting member and disposed on opposite axial sides of the plurality of magnets, a pair of cushion members formed of resilient material, the cushion members being situated near opposite axial ends of the central mounting member to help prevent damage to the piston when the piston contacts an axial end of the cylinder,
>
> and a pair of resilient sealing rings situated near opposite axial ends of the central mounting member and engaging the cylinder to effect a fluid-tight seal therewith;
>
> a body mounted on the exterior of the hollow cylinder and reciprocatingly slidable

thereon,

the body including a plurality of annularly shaped permanent magnets surrounding the cylinder and spaced apart from each other, the permanent magnets of the piston and body being polarized so as to magnetically couple the body to the piston whereby movement of the piston inside the cylinder causes a corresponding movement of the body outside the cylinder,

the body further including means provided thereon for holding on the body an article to be moved; and

means for controlling the admission of pressure fluid into the cylinder and exhaust fluid from the cylinder for moving the piston in the cylinder,

the attractive forces between the permanent magnets of the piston and the body being such that movement of the piston causes corresponding movement of the body below a predetermined load on the body and such that above said predetermined load movement of the piston does not cause corresponding movement of the body.

Reexamined Carroll patent, col.1, l. 34–col. 2, l. 37 (additional paragraphing added).

3. The SMC devices that were found to infringe the Stoll and Carroll patents under the doctrine of equivalents have two notable differences from the structures claimed in the patents. First, the SMC devices, although having pistons with two hard plastic guide rings, have only a single resilient two-way sealing ring, located on one end of the pistons. Thus, while the patents disclose and claim devices with a pair of sealing rings, the SMC devices have only

single two-way sealing rings.[4] Second, the outer portion of the sleeves of SMC's devices is made of an aluminum alloy, a material that the parties agree is not a magnetizable material. Thus, while the Stoll patent discloses and claims a sleeve made of a magnetizable material, the SMC devices have sleeves that are not made of a magnetizable material.

B. Prosecution History of the Patents at Issue

1. The Stoll patent application was filed in the United States as the U.S. counterpart of a German patent application. As filed, claim 1 of the Stoll patent initially read:

> 1. A linear motor for use in a conveying system,
>
> said motor being operable by a pressure medium and comprising a tubular part connectible to a source of the pressure medium,
>
> a piston which is slidable in said tubular part and which has sealing means at each end for [w]iping engagement with an internal surface of the tubular part and so as to form a seal for the pressure medium,
>
> and a driven assembly which is slidable on the tubular part and which has means at each end for [w]iping engagement with an external surface of the tubular part,
>
> the piston and the driven assembly each carrying a drive magnet arrangement in the form of a hollow cylindrical assembly,
>
> each magnet arrangement having radial play relative to the adjacent surface of the tubular part,

---

[4] A sealing ring has a lip on only one side of the ring that seals against fluid flow on that side. By contrast, a two-way sealing ring has a lip on both sides of the ring that allows each side to seal against fluid flow

> and surfaces of the magnet arrangements which face the tubular part being closely adjacent to the respective surfaces of the tubular part.

The original application also included two dependent claims of relevance, claims 4 and 8:

> 4. A linear motor according to any of claims 1 to 3, wherein the sealing means of the piston comprise sealing rings and the piston is provided with sliding guide rings near the sealing rings.
>
> 8. A linear motor according to any of the preceding claims wherein the driven assembly is provided with a sleeve made of a magnetisable material, which encircles the hollow cylindrical assembly of the magnet arrangement. (Emphasis added.)

In the first Office Action, the patent examiner rejected all twelve original claims, and cited three patents as references "believed pertinent." Claims 1-12 were rejected under 35 U.S.C. § 112, ¶ 1, because the "exact method of operation is unclear. Is [the] device a true motor or magnetic clutch?" In addition, claims 4-12 were rejected under 35 U.S.C. § 112, ¶ 2, because they were "improperly multiply dependent."

In response, Stoll amended some claims, including claim 1, and canceled others, including claims 4 and 8. Claim 1 was amended to recite "plural guide ring means . . . and first sealing rings located axially outside said guide rings" on the piston and to recite "a cylindrical sleeve made of a magnetizable material." In the remarks accompanying the amendments, Stoll stated that "[e]ach of the claims now present in this application has been reviewed for compliance with the provisions of Title 35 U.S.C. § 112. Accordingly,

further consideration of these claims, particularly with respect to the provisions of Title 35 U.S.C. § 112, is respectfully solicited."

When Stoll submitted this amendment, he also made two German patents of record in the application, No. 27,37,924 and No.19,82,379. Stoll had received these patents in the first office action in the corresponding German application. Stoll argued in the remarks accompanying the amendment that the "claims now present in th[e] application" are distinguishable over these references. Stoll stated that "i[t] is clear that neither of these two references discloses the use of structure preventing the interference by impurities located inside the tube and on the outside of the tube while the arrangement is moved along the tube."

After considering this response, the examiner allowed the amended claims, requesting that all references to "linear motors" be deleted from the specification, because this phrase "connotes a different device having different operational characteristics."

2. The relevant portion of the Carroll patent's prosecution history is its reexamination. Before reexamination, claim 1 of the Carroll patent read as follows:

> 1. A device for moving articles comprising
>
> a cylinder of non-ferrous material,
>
> a piston including a permanent magnet having a pole-piece on each axial side thereof,
>
> a body disposed outside and adjacent to said cylinder, said body including a permanent magnet which substantially surrounds the cylinder, there being a pole piece on each axial

side of the permanent magnet included in said body, and

means for controlling the admission of pressure fluid into the cylinder and exhaust of fluid from the cylinder for moving the piston in the cylinder,

the attractive forces between the permanent magnets being such that movement of the piston causes corresponding movement of the body below a predetermined load on the body and such that above said predetermined load movement of the piston does not cause corresponding movement of the body.

Original Carroll patent, col. 4, ll. 4-19 (paragraphing added). This claim did not recite the sealing rings disclosed in the specification.

Carroll requested reexamination on March 18, 1988, citing German Patent No. 1,982,379, which was not of record in the Carroll patent's prosecution history. In his request for reexamination, Carroll asserted that the German patent presented a substantial new question of patentability because the Patent Office "may find the German patent, in combination with the other references which were cited during prosecution of the Carroll patent[,] . . . to disclose several of the primary structural features of the device defined by Claim 1."

The German patent described rodless cylinders having several of the features of the device described in the Carroll patent, including a pair of sealing rings. The Patent Office granted Carroll's request for reexamination, finding that the German patent "discloses an article transport device which is movable in response to a hydraulically operated

magnetic piston, which is a feature that was not found by the Examiner during the prosecution" of the Carroll patent.

During reexamination, Carroll canceled claim 1 and added claim 9, which explicitly recites "a pair of resilient sealing rings situated near opposite axial ends of the central mounting member and engaging the cylinder to effect a fluid-tight seal therewith." In the remarks accompanying the amendment, Carroll argued that the now-amended claims[5] "more clearly and more specifically" define the "features of the patentee's invention that distinguish over the art of record, including" the German patent cited in the request for reexamination. Carroll also noted that the structure now described in claim 9 was not disclosed in the art of record. Carroll further stated that "the particular structure of the inner piston and outer body now specifically set forth in new claim 9 is not taught or suggested by the German patent," particularly noting the recitation of the placement and plurality of magnets for both the piston and outer body and the recitation of resilient materials and cushion materials on the ends of the piston.

The examiner allowed the amended claims, stating that "the prior art does not teach or render obvious the claimed combination which includes the plurality of magnets, end members, and cushion members in the claimed relationship."

C. The District Court Proceedings

Festo sued SMC in the district court for infringement of both the Stoll and Carroll patents. Festo's claims of infringement and damages and SMC's counterclaims of invalidity were referred to a special master for consideration. The special master determined that both the Stoll and Carroll

[5] Carroll also amended claims 3 and 5 to depend from claim 9.

patents were not invalid. Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., No. 88-1814-MA, slip op. at 42, 19 (D. Mass. Spec. Master Apr. 27, 1993) (Report). The special master also determined that the SMC devices at issue in this appeal did not infringe the Stoll patent, id. at 42, 47, but did infringe claims 5, 6, and 9 of the Carroll patent under the doctrine of equivalents, id. at 25.

In due course, the district court entertained summary judgment motions from both parties on the issues of infringement and validity. Festo I (Order), slip op. at 1-3. The district court denied all summary judgment motions except Festo's motion for summary judgment of infringement of the Carroll patent. Id. at 2. In ruling on the motions, the district court determined that SMC could not literally infringe the Stoll patent because SMC's devices did not have magnetizable sleeves. Id. at 6. The court also determined that there was a genuine issue of material fact regarding infringement under the doctrine of equivalents. Id. at 11. The court addressed SMC's assertion that prosecution history estoppel barred the application of the doctrine of equivalents to the Stoll patent because the magnetizable sleeve element was not initially recited in claim 1, but was added to the claim after the first Office Action. Id. at 9-10. The court concluded that the reason for the magnetizable sleeve amendment was "a mystery," because it did not appear to be related to any of the examiner's 35 U.S.C. § 112 rejections, and it did not appear to distinguish the invention over the prior art. Id. at 10. The district court therefore declined to hold that prosecution history estoppel barred a finding that the Stoll patent was infringed under the doctrine of equivalents. Id. at 11.

Turning to the Carroll patent, the court noted that the only argument of noninfringement that SMC made was that the single sealing ring in its piston was not equivalent to the

pair of sealing rings recited in claim 9 of the Carroll patent. Id. at 14. However, Festo had presented expert testimony that SMC's single seal was equivalent to the two seals recited in the claims. Id. at 14. To rebut this testimony, SMC cited a statement Stoll had made during prosecution of the Stoll patent to the effect that two sealing rings are necessary to prevent dirt on the piston's magnet. Id. at 14-15. The district court found that the statement made during prosecution of the Stoll patent did not bear on the "meaning and function of the sealing rings as described" in the Carroll patent. Id. at 14-15. The court therefore granted Festo's motion for summary judgment of infringement of claims 5, 6, and 9 of the Carroll patent under the doctrine of equivalents. Id. at 16.

The remaining issues, infringement under the doctrine of equivalents of the Stoll patent, and validity of the Carroll and Stoll patents, were tried to a jury. Festo I (Judgment), slip op. at 1. The jury rendered a verdict on July 14, 1994, concluding that both patents were not invalid and finding that claim 1 of the Stoll patent was infringed under the doctrine of equivalents. Id. at 2-3. The special verdict form indicates that the jury found that Festo had proven by a preponderance of the evidence that SMC's non-magnetizable sleeve and single sealing ring performed substantially the same function in substantially the same way to obtain substantially the same result as the claimed magnetizable sleeve and pair of sealing rings. Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., No. 88-1814-PBS (D.Mass. July 14, 1994) (Special Verdict Form) ("Festo I (Special Verdict Form)").

D. SMC's Appeal

SMC appeals the judgment of infringement of the Stoll patent, which was entered pursuant to the jury's verdict

that the patent was infringed under the doctrine of equivalents. Infringement under the doctrine of equivalents is a question of fact. Warner-Jenkinson, 520 U.S. at 38. We must overturn the jury's finding on a factual issue if it is not supported by substantial evidence or if it is based on an erroneous legal determination. Kearns v. Chrysler Corp., 32 F.3d 1541, 1547-48, 31 U.S.P.Q.2d 1746, 1751 (Fed. Cir. 1994). Prosecution history estoppel is a legal question that is subject to de novo review by this court. LaBounty, 867 F.2d at 1576, 9 U.S.P.Q.2d at 1998. Thus, when reviewing the jury verdict, we will independently decide the legal question of the application of prosecution history estoppel to the Stoll patent.

SMC also appeals the district court's judgment of infringement of the Carroll patent, which was entered in accordance with the court's grant of Festo's motion for summary judgment that claims 5, 6 and 9 were infringed under the doctrine of equivalents. Summary judgment "shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c); Vivid Techs., Inc. v. American Science & Eng'g, Inc., 200 F.3d 795, 806-07, 53 U.S.P.Q.2d 1289, 1297 (Fed. Cir. 1999). We review the grant of a motion for summary judgment without deference, Conroy v. Reebok, Int'l, Ltd., 14 F.3d 1570, 1575, 29 U.S.P.Q.2d 1373, 1377 (Fed. Cir. 1994), drawing all reasonable factual inferences in favor of the non-moving party, Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 255 (1986); Semiconductor Energy Lab. Co. v. Samsung Elecs. Co., 204 F.3d 1368, 1378, 54 U.S.P.Q.2d 1001, 1008 (Fed. Cir. 2000).

1. When infringement is alleged to occur under the

doctrine of equivalents, two primary legal limitations on the doctrine "are to be determined by the court, either on a dispositive pretrial motion or on a motion for judgment as a matter of law at the close of evidence and after the jury verdict." Warner-Jenkinson, 520 U.S. at 39 n. 8. Those legal limitations are prosecution history estoppel and the "all elements" rule. Id.

The first legal limitation a court should consider is prosecution history estoppel, because prosecution history estoppel may completely bar the application of the doctrine of equivalents to a given claim element. The first step in a prosecution history estoppel analysis is to determine which claim elements are alleged to be met by equivalents. Then, the court must determine whether the elements at issue were amended during prosecution of the patent. If they were not, amendment-based estoppel will not bar the application of the doctrine of equivalents. However, the court still may need to consider whether statements made during prosecution give rise to argument-based estoppel. *See e.g., Pharmacia & Upjohn*, 170 F.3d at 1377, 50 U.S.P.Q.2d at 1036.

If the claim elements at issue were amended, the court first must determine whether the amendment narrowed the literal scope of the claim. If so, prosecution history estoppel will apply unless the patent holder establishes that the amendment was made for a purpose unrelated to patentability. *Warner-Jenkinson*, 520 U.S. at 40-41. If the patent holder fails to do so, prosecution history estoppel will bar the application of the doctrine of equivalents to that claim element.

In *Warner-Jenkinson*, the Supreme Court explained the purpose of placing on the patent holder the burden of establishing the reason for an amendment: allocating the burden in this manner "gives proper deference to the role of

claims in defining an invention and providing public notice." Id. at 33. Public notice considerations also have been fundamental to our decisions regarding the scope of prosecution history estoppel. E.g., Pharmacia & Upjohn, 170 F.3d at 1377, 50 U.S.P.Q.2d at 1036 ("To determine what subject matter has been relinquished, an objective test is applied, inquiring whether a competitor would reasonably believe that the applicant had surrendered the relevant subject matter." (citation and quotations omitted)). In order to give due deference to public notice considerations under the *Warner-Jenkinson* framework, a patent holder seeking to establish the reason for an amendment must base his arguments solely upon the public record of the patent's prosecution, i.e., the patent's prosecution history. To hold otherwise—that is, to allow a patent holder to rely on evidence not in the public record to establish a reason for an amendment—would undermine the public notice function of the patent record. If the reasons for the amendment do not appear in the public record of the patent's prosecution, the reasons in most cases will be known only to the patent holder. We therefore hold that a narrowing amendment will give rise to prosecution history estoppel unless the prosecution history of the patent reveals that the amendment was made for a purpose unrelated to patentability concerns.[6]

---

[6] In her dissenting opinion, Judge Newman expresses the concern that we are penalizing the patent holder by limiting the evidence upon which he can rely to establish that a narrowing amendment was made for a purpose unrelated to patentability to what is contained in the prosecution history record. In response, we wish to make it clear that, in determining the reason for an amendment, a court can properly consider any attorney argument regarding the reason for the amendment that is supported by the prosecution history record. Permitting patent holders to rely on evidence extrinsic to the prosecution history record would undermine the public notice function of the patent record. In *Warner-Jenkinson*, the Supreme Court required that a patent holder be provided an opportunity to "demonstrate[ ] that an amendment required during prosecution had a purpose unrelated to patentability." *Warner-Jenkinson*, 520 U.S. at 40-

If prosecution history estoppel does not bar the application of the doctrine of equivalents, the court should consider the second legal limitation on the doctrine, the "all elements" rule, see, e.g., *Pennwalt Corp. v. Durand-Wayland, Inc.*, 833 F.2d 931, 4 U.S.P.Q.2d 1737 (Fed. Cir. 1987) (en banc) (holding that there can be no infringement under the doctrine of equivalents if even one element of a claim or its equivalent is not present in the accused device). If the court determines that a finding of infringement under the doctrine of equivalents "would entirely vitiate a particular claim element," then the court should rule that there is no infringement under the doctrine of equivalents. *Warner-Jenkinson*, 520 U.S. at 39 n. 8.

2. The jury found that claim 1 of the Stoll patent was infringed under the doctrine of equivalents. Festo I (Special Verdict Form). The two elements found to be infringed by equivalents were the "cylindrical sleeve made of a magnetizable material," and the "first sealing rings located axially outside . . . [the] guide rings." Id. Both of these elements were added during prosecution of the patent. Following the methodology outlined above, we conclude that prosecution history estoppel bars the application of the doctrine of equivalents to these claim elements. In view of this determination, we do not reach the "all elements" rule.

We begin our analysis with the magnetizable sleeve element. SMC argues that this claim element is not entitled to any range of equivalents. SMC contends that Festo has not demonstrated that the amendment was made for a reason unrelated to patentability and that, therefore, the presumption of *Warner-Jenkinson* applies and the doctrine of equivalents is barred. SMC asserts that the voluntary nature of the

---

41. The Court, however, did not discuss the evidence that patent holders can use in that regard. Thus, restricting the evidence to the prosecution history record does not run counter to *Warner-Jenkinson*.

amendment is irrelevant to the prosecution history estoppel inquiry because *Warner-Jenkinson* places the burden on a patent holder to establish the reason for an amendment, regardless of whether the amendment was required or voluntary. SMC argues that Festo disclaimed non-magnetizable sleeves when it amended the claim to recite a magnetizable sleeve. SMC also argues that the public, including competitors like itself, would reasonably understand from the prosecution history of the patent that Festo had surrendered any device with a non-magnetizable sleeve.

Festo responds that the *Warner-Jenkinson* presumption does not apply to voluntary amendments. Festo emphasizes that the magnetizable sleeve amendment was not made in response to any prior art rejection and was not needed to overcome the 35 U.S.C. § 112 rejections of the original claims. Accordingly, Festo argues, prosecution history does not bar the application of the doctrine of equivalents to this claim element.

To determine whether a claim amendment gives rise to prosecution history estoppel, we first must determine whether the amendment narrowed the literal scope of the claim. Here we are presented with the situation where the added claim element was introduced through a new claim, instead of through an amendment to an original claim. Nevertheless, the addition of the magnetizable sleeve claim element can be said to have narrowed the scope of the original claim because the new claim replaced the original claim. Specifically, the only original independent claim, which did not recite a magnetizable sleeve, was replaced with an independent claim which does recite a magnetizable sleeve. Because the amendment narrowed the literal scope of the claim, we must determine whether Festo has established that it was made for a reason unrelated to patentability.

We agree with SMC that the reason for the amendment adding the magnetizable sleeve element is not evident from the prosecution history. Original claim 1 did not recite a magnetizable sleeve, although this feature of the invention was recited in original dependent claim 8. In response to the first Office Action, Festo replaced original claim 1 with a claim reciting a magnetizable sleeve and canceled claim 8. Although the amendment was submitted in the response to the first Office Action, the amendment itself was not responsive to any of the rejections set forth in the Office Action. As discussed above, the Office Action rejected all of the claims under 35 U.S.C. § 112, ¶ 1 because it was not clear to the examiner whether the claimed device was a true motor or a magnetic clutch; in addition, the Office Action rejected claims 4-12 under 35 U.S.C. § 112, ¶ 2 for being improperly multiply dependent. The amendment adding the magnetizable sleeve element did not address either of these rejections. Moreover, there is no statement in the prosecution history that explains why this element was included in the independent claim.

In its Supplemental Brief On Remand from the Supreme Court, Festo argued that the amendment was made to clarify the claim. Specifically, Festo asserted that the "'hollow cylindrical assembly'" recited in original claim 1 was "rewritten more clearly as 'a cylindrical sleeve made of a magnetizable material.'" Appellee's Supplemental Brief On Remand from the United States Supreme Court, at 7. This assertion is inadequate to escape the *WarnerJenkinson* presumption, however, because nothing in the prosecution history of the Stoll patent indicates that the magnetizable sleeve element was merely added for purposes of clarification unrelated to patentability concerns.

On remand, Festo also argued that the voluntary nature of the amendment that added the magnetizable sleeve

claim element prevents the amendment from giving rise to prosecution history estoppel. Our answer to En Banc Question 2, which holds that voluntary amendments are treated the same as other amendments, compels us to reject this argument. Festo has thus failed to meet its burden under *Warner-Jenkinson* of establishing a reason unrelated to patentability for the amendment that added the magnetizable sleeve element. The amendment therefore gave rise to prosecution history estoppel. See *Warner-Jenkinson*, 520 U.S. at 40-41. Because prosecution history estoppel acts as a complete bar to the doctrine of equivalents, application of the doctrine of equivalents is barred as to this claim element.

We turn now to the sealing ring element. SMC argues that the sealing ring claim element was added to distinguish the prior art and, therefore, is not entitled to any range of equivalents. SMC asserts that arguments accompanying the amendment make clear that the amendment was made to distinguish the prior art. SMC contends that a competitor such as itself reasonably would conclude from the prosecution history that Festo surrendered the difference between the originally claimed sealing means and the sealing rings recited in the amended claims. By the same token, SMC argues, Festo disclaimed the difference between the original and amended claims.

Festo's principal argument is that there is no substantial difference between original claim 1 and the amended claim with respect to the sealing ring element. Specifically, Festo argues that the original claim recited the sealing ring element in means-plus-function language, whereas the amended claim recites the structure described in the specification as performing the recited function ("the corresponding structure"). Festo also argues that the claim amendment did not give rise to prosecution history estoppel because it was made to respond to the 35 U.S.C. § 112

rejection, not to avoid the prior art. Festo contends that the statements accompanying the amendment do not evidence a clear and unmistakable surrender of subject matter and, therefore, did not give rise to prosecution history estoppel.

The sealing ring element was added to claim 1 when the original independent claim 1 was replaced with the independent claim that issued as claim 1. This amendment narrowed the literal scope of the claim because it substituted an independent claim that recited a sealing ring element for an independent claim that did not recite such an element. Even if the amendment that added the sealing ring element merely replaced the means-plus-function language with a recitation of the corresponding structure, the amendment had the effect of narrowing the scope of the claim. A claim element recited in means-plus-function language literally encompasses the corresponding structure and its equivalents. Laitram Corp. v. Rexnord Inc., 939 F.2d 1533, 1536, 19 U.S.P.Q.2d 1367, 1370 (Fed. Cir. 1991). In contrast, a claim element that recites the corresponding structure does not literally encompass equivalents of that structure. Id. Thus, a claim amendment that replaces means-plus- function language with language reciting the corresponding structure narrows the literal scope of the claim.

We conclude that Festo has not established that the amendment that added the sealing ring element was made for a reason unrelated to patentability. Festo argues that the amendment was made to respond to the 35 U.S.C. § 112 rejection. Because a claim will not issue unless it satisfies the requirements of section 112, an amendment made to satisfy the statute is an amendment made for a reason related to patentability. See supra Answer to En Banc Question 1. The amendment also appears to have been made to distinguish the prior art. Submitted with the amendment was a statement to the effect that German Patent No. 27,37,924 and German

Patent No. 19,82,379 "are obviously clearly distinguishable over the subject matter of the claims now present in th[e] application," i.e., the amended claims. Also submitted with the amendment was an assertion that "[i]t is clear that neither of these two references discloses the use of structure preventing the interference by impurities located inside the tube and on the outside of the tube while the arrangement is moved along the tube." In view of these statements, we conclude that the amendment adding the sealing ring element was made to distinguish the German patents and, therefore, was made for a reason related to patentability. See *Warner-Jenkinson*, 520 U.S. at 30-31 (noting that amendments made to avoid the prior art have been held to give rise to prosecution history estoppel). Thus, Festo cannot establish that the amendment was made for a reason unrelated to patentability. The amendment therefore gave rise to prosecution history estoppel and, in accordance with our Answer to En Banc Question 3, no range of equivalents is available for the sealing ring element.

The jury's finding of infringement was based on an application of the doctrine of equivalents to the magnetizable sleeve and sealing ring claim elements; accordingly, we must reverse the judgment that claim 1 of the Stoll patent was infringed under the doctrine of equivalents.

3. The district court granted Festo's motion for summary judgment of infringement under the doctrine of equivalents with respect to independent claim 9 and dependent claims 5 and 6 of the Carroll patent. Festo I (Order), slip op. at 15. The element in all three claims found to be infringed by equivalents is "a pair of resilient sealing rings situated near opposite axial ends of the central mounting member" (a "pair of sealing rings").[7] Id. at 14.

---

[7] This element is expressly recited in claim 9 and is included in claims 5

This element was added to claim 9 during reexamination of the Carroll patent. Following the methodology outlined above, we conclude that prosecution history estoppel bars the application of the doctrine of equivalents to this element of the claims of the Carroll patent. In view of this determination, we do not reach the "all elements" rule.

SMC argues that Festo's purpose for this amendment is not clear.[8] SMC states that because Festo specifically canceled original claim 1, which did not recite a sealing ring at each end of the piston, and added claim 9, which does recite a sealing ring at each end of the piston, the only reasonable conclusion is that the amendment was made for a purpose related to patentability. SMC further asserts that because claim 9 is a combination claim, its patentability hinges on the novelty of the recited combination, including the recited pair of sealing rings. SMC also argues that if the purpose for the amendment is unclear, the *Warner-Jenkinson* presumption applies, and application of the doctrine of equivalents is barred.

Festo responds by arguing that the amendment adding the pair of sealing rings element was not required, and thus was voluntary. Festo states that because the

---

and 6, which depend from claim 9 and which incorporate all of the limitations of that claim, see 35 U.S.C. § 112, ¶ 4 (1994); 37 C.F.R. §1.75(c) (1999).

[8] SMC did not argue prosecution history estoppel with respect to the Carroll patent before the district court. But upon a GVR from the Supreme Court, a court of appeals may "consider relevant decisions and arguments that were not previously before it" to promote fairness. Stutson v. United States, 516 U.S. 193, 197 (1996). Our consideration of prosecution history estoppel here is particularly appropriate, because Warner-Jenkinson, the case which the Supreme Court asked us to consider in this GVR, specifically addressed the role of prosecution history estoppel as a limitation on the doctrine of equivalents. See Warner-Jenkinson, 520 U.S. at 40.

amendment was voluntary, it cannot give rise to prosecution history estoppel under *Warner-Jenkinson*. Festo also states that the amendment could not have been required to distinguish the German patent that prompted the reexamination, because the German patent discloses a piston with sealing rings. Festo argues that because the amendment was not made for a purpose related to patentability, the amendment did not create prosecution history estoppel.

To determine whether this claim amendment gave rise to prosecution history estoppel, we first must determine whether the amendment narrowed the literal scope of the claim. As with the elements of the Stoll patent discussed above, the claim element at issue in the Carroll patent was introduced through a new claim, instead of through the amendment of a pending claim. Specifically, during reexamination, independent claim 1, which did not recite a pair of sealing rings, was replaced by independent claim 9, which does recite a pair of sealing rings. This amendment narrowed the literal scope of the claims of the Carroll patent.[9] Accordingly, we must consider the reasons for the amendment.

As discussed above, under *Warner-Jenkinson*, Festo bears the burden of establishing that the amendment was made for a reason unrelated to patentability. *Warner-Jenkinson*, 520 U.S. at 40-41. It has failed to do so. Festo admits that there is "[n]o specific mention of the sealing rings" in the prosecution history record. En Banc Responsive Brief of Plaintiff-Appellee Festo Corp., at 49. Moreover, in view of our answer to En Banc Question 2, the voluntary nature of the amendment is irrelevant to the inquiry.

---

[9] Because claims 5 and 6 are dependent claims, any amendment that narrows the scope of the claim from which they depend also narrows claims 5 and 6. See supra note 7.

The prosecution history of the Carroll patent reveals that the amendment that added the pair of sealing rings claim element was motivated by at least one reason related to patentability: a desire to avoid the prior art. In the remarks accompanying the amendment that introduced claim 9, which recites the pair of sealing rings, Carroll stated that the amendment defined the "features of the patentee's invention that distinguish over the art of record, including" the German patent cited in the request for reexamination. Thus, although the German patent disclosed a piston with sealing rings, Carroll did argue that the combination of features recited in the claims, which includes the pair of sealing rings, distinguished the claims over the German patent. Moreover, when the examiner allowed the reexamined claims, he stated that "the prior art does not teach or render obvious the claimed combination which includes the plurality of magnets, end members, and cushion members in the claimed relationship." (Emphasis added.) Although the examiner did not specifically reference the pair of sealing rings in his statement of reasons for allowance, his statement emphasizes that it is the claimed combination of elements that was found to be patentable. In view of this prosecution history, Festo cannot establish that the amendment that added the pair of sealing rings element was made for a reason unrelated to patentability. Indeed, the prosecution history indicates that the amendment was made for a reason related to patentability. In accordance with our answer to En Banc Question 3, prosecution history estoppel bars application of the doctrine of equivalents to the pair of sealing rings element. Accordingly, we must reverse the judgment that claims 5, 6, and 9 of the Carroll patent were infringed under the doctrine of equivalents.

CONCLUSION

The claim elements of the Stoll and Carroll patents

that were found to be infringed by equivalents were added to the pertinent claims during prosecution of the Stoll patent and during reexamination of the Carroll patent through amendments that narrowed the scope of the claims. As explained above, Festo has not established explanations for these amendments unrelated to patentability. The amendments therefore gave rise to prosecution history estoppel. Under these circumstances, the amended claim elements are entitled to no range of equivalents. Thus, they cannot be infringed by equivalents. The court's judgment of infringement under the doctrine of equivalents of both the Stoll and Carroll patent is therefore

REVERSED.

COSTS

Each party shall bear its own costs.

CONCURRING OPINION

PLAGER, Circuit Judge, concurring.

I concur in and join the opinion and judgment of the court. It is a second-best solution to an unsatisfactory situation. Under our preexisting law, a count for infringement under the doctrine of equivalents became a routine part of a patent infringement suit. The game was to convince the trier of fact, typically a jury, that even if an accused product[10] does not infringe the claims as written, the claimed invention and the accused product have only "insubstantial differences," a wonderfully indeterminate phrase, lending itself to making every decision under the doctrine an individualistic choice, if not simply a flip of the coin. For the rationale behind the "insubstantial differences"

[10] I use the broad term "product" to include any process, device, etc.

rubric, see *Hilton Davis Chemical Co. v. Warner-Jenkinson* Co., 62 F.3d 1512, 1516-18, 35 U.S.P.Q.2d 1641, 1644-45 (Fed. Cir. 1995), *rev'd and remanded*, 520 U.S. 17, 41 U.S. P.Q.2d 1865 (1997).

In an attempt to make the phrase "insubstantial differences" less indeterminate, we have continued to resort to the old "function-way-result" formulation, indicating that in appropriate cases—whatever that might mean— the answer could be found through those lenses. *See, e.g., Hill-Rom Co. v. Kinetic Concepts, Inc.*, 209 F.3d 1337, 1343, 54 U.S.P.Q.2d 1437, 1442 (Fed. Cir. 2000); *Kraft Foods, Inc. v. Int'l Trading Co.*, 203 F.3d 1362, 1371, 53 U.S.P.Q.2d 1814, 1820-21 (Fed. Cir. 2000); *Overhead Door Corp. v. Chamberlain Group, Inc.*, 194 F.3d 1261, 1270, 52 U.S.P.Q.2d 1321, 1327 (Fed. Cir. 1999); *Augustine Medical, Inc. v. Gaymar Indus., Inc.*, 181 F.3d 1291, 1304, 50 U.S.P.Q.2d 1900, 1909 (Fed. Cir. 1999); *Vehicular Tech. Corp. v. Titan Wheel Int'l, Inc.*, 141 F.3d 1084, 1089-90, 46 U.S.P.Q.2d 1257, 1261 (Fed. Cir. 1998); *Dawn Equip. Co. v. Kentucky Farms Inc.*, 140 F.3d 1009, 1015-16, 46 U.S.P.Q.2d 1109, 1113 (Fed. Cir. 1998). Though "function" and "result" are in many cases reasonably straightforward, the "way" of an accused product compared to that of the claimed invention has proved to be no more precise a criterion in its application than "insubstantial differences," for which it was supposed to be a useful surrogate. *See, e.g., Overhead Door*, 194 F.3d at 1270, 52 U.S.P.Q.2d at 1327.

Worse yet, whether the trier of fact was judge or jury, the decision about infringement under the doctrine of equivalents does not end with the trial. Given the indeterminate nature of the test, it is not difficult for the losing party to make a plausible argument on appeal that there was "clear error" or that "no reasonable jury could have thought such a thing," as the case may be. Given the

indeterminate nature of the test, this court has shown little reluctance to review these decisions. *See, e.g., Hill-Rom*, 209 F.3d at 1343, 54 U.S.P.Q.2d at 1442; *Dawn Equip.*, 140 F.3d at 1015-17, 46 U.S.P.Q.2d at 1113-15. The net effect has been that all too often there is no way to know whether a particular product infringes under the doctrine until a panel of this court says so; the rule of analysis gives little real guidance, and equally little predictability.

In today's rulings the court attempts to limit some of the indeterminacy of the doctrine with a set of bright-line rules, trading off areas of uncertainty for a degree of rigidity. Unfortunately, this attempt at injecting certainty into the doctrine contains the potential for unintended consequences, consequences that may do nothing but exacerbate the problem.

What will be the response of the patent bar to the new rules? Past practice has been to claim broadly in the initial application for a patent, and then negotiate with the United States Patent and Trademark Office through one or more rejections until arriving at a mutually acceptable set of claims. Under the new rules of engagement, that process will create full prosecution history estoppel regarding every limitation that is amended for patentability purposes, a term now broadly defined.

Patent counsels may decide that past practice gives up too much under the new rules, and instead may start claiming narrowly with the hope of avoiding rejections and consequent amendments. Literal infringement will become harder to prove because claims will be drafted more narrowly and with greater specificity. That itself may be to the good, since much of current patent litigation involves claim construction issues resulting from the vague, sometimes almost incomprehensible, manner in which

claims have been drafted.

An unintended consequence, however, may be that patent litigation will lean ever more heavily on the doctrine of equivalents, especially in those cases in which the patent application, containing narrowly drawn claims, was approved without any amendment in the area that affects the accused product. The patentee may have little choice but to insist on enforcement under the doctrine of equivalents, if the patent is to be enforced at all. Since today's decision does not change the basic rule of analysis for infringement claims under the doctrine of equivalents, the outcome in those cases will continue to be tested under the pre-existing "insubstantial differences" and its surrogate "function-way-result," with all the game-playing those indeterminate phrases provide.

In time then, the supposed benefits of the doctrinal improvements contained in today's decision may prove illusory.

That is why I consider it a second-best solution. A better solution would be to declare the doctrine of equivalents—a judge-made rule in the first place— to have its roots firmly in equity, and to acknowledge that when and in what circumstances it applies is a question of equitable law, a question for which judges bear responsibility. We have admitted to these roots in a number of cases. *See Texas Instruments Inc. v. USITC,* 988 F.2d 1165, 1173, 26 U.S.P.Q.2d 1018, 1024 (Fed. Cir. 1993) ("the doctrine of equivalents has been 'judicially devised to do *equity*'" (quoting *Loctite Corp. v. Ultraseal, Ltd.,* 781 F.2d 861, 870, 228 U.S.P.Q. 90, 96 (Fed. Cir. 1985)) (emphasis added)); *Valmont Indus., Inc. v. Reinke Mfg. Co.,* 983 F.2d 1039, 1043 n. 1, 25 U.S.P.Q.2d 1451, 1454 n. 1 (Fed. Cir. 1993) ("the doctrine 'is designed to do *equity*'" (quoting *Perkin-*

Elmer Corp. v. Westinghouse Elec. Corp., 822 F.2d 1528, 1532, 3 U.S.P.Q.2d 1321, 1324 (Fed. Cir. 1987)) (emphasis added)); *Charles Greiner & Co. v. Mari-Med Mfg., Inc.*, 962 F.2d 1031, 1036, 22 U.S.P.Q.2d 1526, 1529 (Fed. Cir. 1992) ("careful confinement of the doctrine of equivalents to its proper *equitable* role . . . promotes certainty and clarity in determining the scope of patent rights" (emphasis added)); *London v. Carson Pirie Scott & Co.*, 946 F.2d 1534, 1538, 20 U.S.P.Q.2d 1456, 1458 (Fed. Cir. 1991) ("this *equitable doctrine* evolved from a balancing of competing policies" (emphasis added)).

Were this court to openly acknowledge that the doctrine of equivalents can only be legitimated by its equitable roots and should be treated as an equitable doctrine, important consequences would flow. Trial courts, sitting as courts of equity, would be responsible for deciding whether the doctrine of equivalents should be applied, not unlike the practice regarding the doctrine of inequitable conduct. On appeal to this court, we would review a trial court's determination under the deferential standard of abuse of discretion.

The test the trial courts would apply would be crafted to blend both objective and subjective factors. The differences between the claimed invention and the accused product would necessarily remain of relevance; and in addition, traditional equitable considerations would focus on matters such as the conduct of the accused product's sponsors, specifically, the considerations pronounced in the Supreme Court's seminal opinion in *Graver Tank & Manufacturing Co. v. Linde Air Products Co.*, 339 U.S. 605, 607-08, 85 U.S.P.Q. 328, 330 (1961):

> [C]ourts have also recognized that to permit imitation of a patented invention which does not

> copy every literal detail would be to convert the protection of the patent grant into a hollow and useless thing. Such a limitation would leave room for—indeed encourage—the unscrupulous copyist to make unimportant and insubstantial changes and substitutions in the patent which, though adding nothing, would be enough to take the copied matter outside the claim, and hence outside the reach of law . . ..
>
> . . . The essence of the doctrine [of equivalents] is that one may not practice a fraud on a patent. Originating almost a century ago in the case of *Winans v. Denmead,* 15 How. 330, 14 L. Ed. 717, it has been consistently applied by this Court and the lower federal courts, and continues today ready and available for utilization when the proper circumstances for its application arise.

It is true that "fraud" and "unscrupulous" conduct are not terms of precision, yet they are terms with which judges are familiar. More importantly, they point to the underlying reason for the doctrine; as the Court said, the essence of the doctrine is fraud. Notions of fairness and equity are concerns which over the centuries have permitted courts to reach beyond the fixed scope of legal rights in "proper circumstances," to use the Court's phrase. What those circumstances are in regard to patent rights this court over time could determine, and in time develop a refined body of law that emphasizes the exceptional nature of relief under the doctrine. In time, there would be a set of known factors that could be applied predictably, thus giving a degree of decisional certainty to the doctrine, all the while retaining flexibility in the process to deal with new situations—the hallmark of equitable adjudication.

By contrast, the notion of "insubstantial differences" between a particular claim and a particular product, viewed as the governing principle, can never be anything other than an ad hoc judgment, dependent on the eye of the beholder in the individual case. Though we talk about considering factors such as the role of copying, interchangeability of elements, and so on, the reality is that, as our cases since *Hilton Davis* demonstrate, the decision on equivalents remains essentially a subjective call, with repetition of verbal formulae but without transferability from case to case of practical guidance. This to me is the antithesis of the rule of law.

I have previously written at length on this problem and on my suggested approach to its management, *see Hilton Davis,* 62 F.3d at 1536, 35 U.S.P.Q.2d at 1661 (Plager, J., dissenting, joined by Archer, C.J., and Rich and Lourie, JJ.), and will not repeat all that was said there. In this court's earlier attempt to address the difficulties in our equivalents doctrine, *see Hilton Davis,* 62 F.3d 1512, 35 U.S.P.Q.2d 1641, *passim,* the court majority elevated the notion of insubstantial differences to the controlling criterion, on the expressed belief that it had some abstract objectivity. Experience has now shown that belief to have been more hope than reality. In focusing on the mechanistic idea of insubstantial differences, the court failed to grapple with the basic problem of uncertainty in the law. Thus, five short years later, we are again grappling with the problem. This is a self-inflicted wound.

It would be easy now to blame the Supreme Court for the mess we are in, since the Court, in response to our *Hilton Davis* decision, has opined on the matter. *See Warner-Jenkinson Co. v. Hilton Davis Chem. Co.,* 520 U.S. 17, 41 U.S.P.Q.2d 1865 (1997). However, I do not believe that the Supreme Court wishes to stand in the way of a sensible

solution. For one, the Court expressly declined to consider whether the application of the doctrine of equivalents is a task for the judge or jury. *Warner-Jenkinson,* 520 U.S. at 38-39, 41 U.S.P.Q.2d at 1875. That infringement under the doctrine is a fact issue is of no moment; equity courts deal with facts all the time. In addition, a Supreme Court that did not balk at making the most critical aspect of infringement law—claim construction—a matter for judges alone, *see Markman v. Westview Instruments, Inc.,* 517 U.S. 370, 38 U.S.P.Q.2d 1461 (1996), may, when pressed, find it appropriate to acknowledge the equitable nature of the doctrine of equivalents and the reasons why judges have a comparative advantage in equitable adjudication.

The Supreme Court in its *Warner-Jenkinson* opinion did opine that "intent plays no role in the application of the doctrine of equivalents." *Warner- Jenkinson,* 520 U.S. 17, 41 U.S.P.Q.2d at 1874. That suggests that at least some of the considerations involved in traditional equitable analysis would not be appropriate. However, the Court's statement in that regard was preceded by a reference to *Graver Tank* and the fact that, while *Graver Tank* leaves room for the inclusion of intent-based elements in the doctrine, it did not require them. From this, the Court opined that the "better view" was to exclude intent-based considerations. Today, the Court might well conclude that, since the so- called "objective" approach has proven unworkable, a return to the equitable analysis approach would be the "better view." Particularly would this be so if this court led the way, since in its *Warner-Jenkinson* decision the Supreme Court was doing little more than echoing what we had said on the subject of intent in our *Hilton Davis* opinion.

We are the court primarily responsible for the state of patent law, and the Supreme Court has pronounced it our duty to "best implement procedural improvements to

promote certainty, consistency, and reviewability to this area of the law." *Warner-Jenkinson,* 520 U.S. at 39 n. 8, 41 U.S.P.Q.2d at 1876 n. 8. It is time for us to "think outside the box," and restore the doctrine of equivalents to its original equitable function and purpose, thus providing a judicial process that lends itself to making the doctrine both determinate and predictable.

Those who are wedded to the existing regimen can no doubt find all sorts of objections to this proposed approach. I cannot say that the approach I advocate is a panacea for all that ails the equivalents practice. I can say that what we have does not work very well, and, as we did in *Markman,* it is time to try something else, something that has substantial jurisprudential legitimacy and holds out some promise for improvement. Until such time as this court is of a mind to seek and design a long-term solution to the equivalents problem, however, I have little choice but to join in even this limited effort to cabin what is otherwise, and I fear remains, a doctrine short on predictable results, and short on the achievement of equity to which it owes its existence.

LOURIE, Circuit Judge, concurring.

I fully join the majority opinion. However, I write separately to respond to comments and concerns of supporters of the flexible bar rule.

It has been stated by a dissenter that most of the members of the majority have authored opinions supporting a flexible bar. I am one of them. My obligation is to follow precedent, and it is correct that our court has had precedent for a flexible bar, albeit not necessarily consistent precedent. I therefore followed what seemed to be the strongest line of precedent at that time. *See, e.g., Sextant,* 172 F.3d 817, 49 U.S.P.Q.2d 1865; *Pharmacia & Upjohn Co. v. Mylan*

Pharms., Inc., 170 F.3d 1373, 50 U.S.P.Q.2d 1033 (Fed. Cir. 1999); *Bai v. L & L Wings, Inc.*, 160 F.3d 1350, 48 U.S.P.Q.2d 1674 (Fed. Cir. 1998); *Laitram Corp. v. Morehouse Indus., Inc.*, 143 F.3d 1456, 46 U.S.P.Q.2d 1609 (Fed. Cir. 1998); *Lockwood v. Am. Airlines, Inc.*, 107 F.3d 1565, 41 U.S.P.Q.2d 1961 (Fed. Cir. 1997). However, in light of experience, and recognizing the Congressional requirement for precision in claims, 35 U.S.C. § 112, ¶ 2, I am persuaded that when we have the opportunity en banc to depart from an unworkable rule by holding patent applicants to their actions in the PTO, we should do so. Adoption of a firmer rule today is in the best interest of the patent system.

Our holding does not violate the Supreme Court's guidance in *Warner- Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997). The key issue decided by the Court in *Warner-Jenkinson* relating to prosecution history estoppel was whether the reasons for a claim amendment are relevant in determining whether prosecution history estoppel should be applied. *Id.* at 30. The Court held that the reason for an amendment is relevant, as amendments made for substantial reasons relating to patentability lead to an estoppel. While the Court referred to the avoidance of prior art as a principal reason for an amendment relating to patentability, it did not limit the application of prosecution history estoppel to claims that were amended for prior art reasons. *Id.* at 30-31. Hence, this court, in its present decision, has refined the scope of "a substantial reason related to patentability" to include any reason relating to a statutory requirement for patentability. In other words, if a claim was not allowable for statutory reasons without an amendment, then the amendment was presumptively made for a reason relating to patentability. Such an amendment may relate either to prior art or to various requirements under 35 U.S.C. §§ 101 and 112.

The Supreme Court has not addressed what scope of

equivalents remains when a claim has been clearly amended for patentability reasons. The closest the Court came to doing so was in *Warner-Jenkinson,* where it created the presumption that an amendment was made for a reason relating to patentability when it is unclear why that amendment was made. The Court then stated: "In those circumstances, prosecution history estoppel would bar the application of the doctrine of equivalents as to that element." *Warner-Jenkinson,* 520 U.S. at 33; *see Sextant Avionique, S.A. v. Analog Devices, Inc.,* 172 F.3d 817, 831, 49 U.S.P.Q.2d 1865, 1874-75 (Fed. Cir. 1999) (explaining that this language only applies when the reason for an amendment is unknown). It did not otherwise render any holding concerning the scope of equivalents that remains when a claim has clearly been amended for patentability reasons. Thus, this en banc court is free to do so today. In fact, today we merely extend the Supreme Court's complete bar against the application of the doctrine of equivalents, which applies when it is unclear why an amendment was made and the patentee fails to rebut the presumption that an amendment was made for reasons relating to patentability, to cases in which the patentee clearly amended a claim for patentability reasons.

It has been said that there is no hard evidence showing that the so- called "flexible" bar impairs predictability. While it is true that empirical data may not be available, powerful evidence may be garnered from the experience of this court, which monthly reviews appeals in which infringement is asserted under the doctrine of equivalents even though the accused product is clearly not within the literal scope of the asserted claims. Many of these appeals involve prosecution histories in which amendments for patentability reasons have been made. Yet, equivalence is argued in the hope that one panel might find equivalence where another would not. That surely is persuasive evidence

that the current flexible bar is not working. Our court was created with the opportunity and mandate to observe such problems in the law and to act upon a possible solution. *See Warner-Jenkinson,* 520 U.S. at 39 n. 8, 40, 41 U.S.P.Q.2d at 1875 n. 8, 1876 ("We expect that the Federal Circuit will refine the formulation of the test for equivalence in the orderly course of case-by-case determinations, and we leave such refinement to that court's sound judgment in this area of its special expertise."). That is why we have been given exclusive jurisdiction over patent appeals. 28 U.S.C. § 1295(a).

It has been suggested that there are settled expectations in the bar and innovation community regarding the present rule. The only settled expectation currently existing is the expectation that clever attorneys can argue infringement outside the scope of the claims all the way through this court of appeals. Such a settled expectation should become unsettled. Surely, when prosecuting a patent, patent practitioners have no settled expectations of being able to assert the doctrine of equivalents. Any patent attorney who fails to claim all that his inventor has invented, and that is patentable, is ill-advised to settle for a narrower claim than he considers justified on the assumption that he can rely on the doctrine of equivalents for broader coverage. Such reliance is a highly risky prospect given that the patent statute requires precise claims. 35 U.S.C. § 112, ¶ 2. When a patent applicant is faced with a rejection, or expects a rejection, he (or she) is master of his claims. He can stand his ground and appeal, or amend the claims. If the latter course of action is chosen, such conduct, which is known to the world, should bind the applicant. The fact that the applicant may have to appeal an unjustified rejection, incurring loss of time and expense, does not mean that we should refrain from adding clarity to the meaning of claims by holding patent applicants to their actions in the Patent and Trademark

Office ("PTO").

Additionally, the PTO does not make "basic assumptions" relating to a range of equivalents to be allowed. *See Warner-Jenkinson,* 520 U.S. at 32, 41 U.S.P.Q.2d at 1872 ("[I]f the PTO has been requesting changes in claim language without the intent to limit equivalents . . . we should be extremely reluctant to upset the basic assumptions of the PTO without substantial reason for doing so."). The PTO examines claims in light of the disclosure of the patent application and against the prior art. *See* 35 U.S.C. § 131 (1994) ("Examination of application"); Manual of Patent Examining Procedure §§ 701, 702 (7th ed. 2000) ("The main conditions precedent to the grant of a patent to an applicant are set forth in 35 U.S.C. [§§] 101, 102 and 103 . . . [T]he examiner should review the contents of [a new] application to determine if the application meets the requirements of 35 U.S.C. [§] 111(a) [(setting forth the basic requirements for a patent application)]."). It does not issue patents with any expectations regarding equivalents.

It is said that *stare decisis* compels us to stay the course with the old rule. I thought the same regarding *Zurko. See Dickinson v. Zurko,* 527 U.S. 150, 170-72 (Rehnquist, C.J., dissenting). However, the Supreme Court, in its wisdom, believed that decades of practice should be overturned in order to bring our standard of judicial review of findings of fact made by the PTO into line with the standard of review applied to other agency decisions. *Id.* at 152. Similarly, a majority of this court believes that important policy considerations relating to achieving the certainty contemplated by Congress justifies departing from an older unworkable rule.

Finally, one of the dissenters fears that today's ruling provides would-be copiers with a free pass to appropriate the

essence of an invention and yet escape infringement. That is theoretically true. In the future, a competitor may more closely approach the limits of the claims in a patent in which a narrowing amendment has been made without fear of liability. Occasional injustices may occur. However, I believe that such occasional injustices will be greatly outnumbered by competitors who will be able to introduce innovative products outside the scope of claims without fear of unjustified, protracted, and expensive litigation. In today's world, the specter of unpredictable equivalence claims haunts too many business decisions, while the overwhelming majority of equivalence claims ultimately fail. It is more than justified to lessen this fear and hold patent applicants to the consequences of their public prosecution decisions. The rule we announce today should encourage innovation, lessen uncertainty, and diminish the volume of unnecessary litigation, while providing patentees with protection commensurate with the disclosed and allowed scope of their inventions.

As for the biotechnology example hypothesized by one of the dissenters, I believe the concern is largely theoretical. The first inventors in a field are only entitled to claim what they can describe and enable, and I am confident that competent patent attorneys can readily craft their claims to cover that subject matter so that estoppel can be avoided. Moreover, subsequent inventors will be better able to find and develop improved products without fear of lawsuits. Predictability will be enhanced.

The fact is that, even under our past rule of flexible bar, no court has rendered a decision holding infringement only under the doctrine of equivalents by an accused gene or protein. To the extent that a competitor has been deterred from developing a new compound for fear that it will be held to be an infringer under an equivalence theory, I believe that

our new rule will provide a clear net gain for innovation and the public. They will benefit from the greater certainty that new compounds not within the scope of granted claims can be developed without fear of protracted litigation.

For these reasons, and for others aptly expressed by the majority opinion, I join the majority opinion.

CONCURRING/DISSENTING OPINION

MICHEL, Circuit Judge, concurring-in-part, dissenting-in-part, with whom Circuit Judge RADER joins.

I join the majority opinion with respect to the disposition of Questions 1, 2, 4, and 5. However, I must dissent from the majority's response to Question 3 because I believe it contradicts Supreme Court precedent and policy. In *Warner-Jenkinson Co., Inc. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 40, 117 S. Ct. 1040, 1054 (1996), the Supreme Court encouraged our court to "refine the formulation of the test for equivalence." I am convinced, however, that the majority's new "complete bar rule," far from being merely such a refinement, contravenes consistent Supreme Court authority. Not only does the majority's new rule directly contradict one Supreme Court holding, but it undermines the legal standard that the Supreme Court has consistently articulated in seven other cases for determining the scope of such estoppel. Moreover, because most patents contain claims that were amended during prosecution, the majority's holding effectively strips most patentees of their rights to assert infringement under the doctrine of equivalents, despite the Supreme Court's unanimous adherence to the doctrine in *Warner-Jenkinson*. The majority's new rule constitutes a rejection of the policy advanced by the Supreme Court in *Warner-Jenkinson* that the all-elements rule and prosecution history estoppel are sufficient to balance the competing

needs of granting meaningful protection to patentees and of notifying the public of the effective scope of a patentee's claims.

I. The Majority's Rule Upsets the Balance Struck by the Supreme Court Through *Warner-Jenkinson* Between the Competing Needs for Meaningful Patent Protection and Adequate Public Notice.

Before discussing particular Supreme Court cases, I believe it is important to summarize the doctrinal framework that the Supreme Court has consistently employed for over a century to balance a patentee's need for meaningful protection against copying and the public's need for notice as to the effective scope of a patentee's claims. The Supreme Court has consistently stated, and has done so as recently as *Warner-Jenkinson,* that application of the allelements rule, as supplemented by prosecution history estoppel, sufficiently balances the competing needs of meaningful patent protection and adequate public notice. Today's majority upsets this balance, holding that the public notice function of patents can only be fulfilled by limiting the effective scope of patents with amended limitations to the literal wording of such limitations.

The limitations of a patent's claims provide an initial measure of the effective scope of the patent, both literally and under the doctrine of equivalents. The all-elements rule provides that every limitation of a claim is material, and that an accused device lacking a corresponding element, or an equivalent thereof, for every limitation cannot infringe the claim, even under the doctrine of equivalents. *See Pennwalt Corp. v. Durand-Wayland, Inc.,* 833 F.2d 931, 937, 4 U.S.P.Q.2d 1737, 1741 (Fed. Cir. 1987) (en banc) (holding that a "device that does not satisfy [a claim limitation] at least equivalently does not function in substantially the same

way as the claimed invention," and thus cannot infringe under the doctrine of equivalents). The Supreme Court has recognized for more than a century that the public is entitled to make, use, or sell devices that lack one or more elements corresponding to the limitations of a patent's claims, or their equivalents. *See, e.g., Shepard v. Carrigan,* 116 U.S. 593, 597, 6 S. Ct. 493, 495, (1886) ("Where an applicant for a patent to cover a new combination is compelled by the rejection of his application by the patent- office to narrow his claim by the introduction of a new element, he cannot after the issue of the patent broaden his claim by dropping the element which he was compelled to include in order to secure his patent.").

In *Warner-Jenkinson,* the Supreme Court reiterated that under the all- elements rule and prosecution history estoppel, the public receives adequate notice as to the enforceable scope of patent claims. *See Warner-Jenkinson,* 520 U.S. at 29-30, 117 S. Ct. at 1049 ("So long as the doctrine of equivalents does not encroach beyond the limits [of the all-elements rule] just described, or beyond related limits to be discussed *infra* [prosecution history estoppel], we are confident that the doctrine will not vitiate the central functions of the patent claims themselves.") (citation omitted). Moreover, the *Warner-Jenkinson* Court reaffirmed that, although limiting its application, the all-elements rule still accommodates the right of patentees to assert infringement of some equivalents. *See id.* at 32, 117 S. Ct. at 1050 (quoting *Hubbell v. United States,* 179 U.S. 77, 82, 21 S. Ct. 24, 26 (1900) ("If it be a claim to a combination, and be restricted to specified elements, all must be regarded as material, leaving open only the question whether an omitted part is supplied by an equivalent device or instrumentality.") (citation omitted, emphasis added)); *Shepard v. Carrigan,* 116 U.S. 593, 598, 6 S. Ct. 493, 495 (1886) (same); *Fay v. Cordesman,* 109 U.S. 408, 421, 3 S. Ct. 244-45 (1883)

(same). Under the all-elements rule, the claims themselves provide considerable notice to the public as to the effective scope of the patent (i.e., a patentee cannot assert infringement by a device that lacks an equivalent of one or more limitations of the claim, as issued), while preserving for the patentee a scope of protection under the doctrine of equivalents to prevent copying.

When a patent applicant narrows his claims during prosecution by adding a limitation to traverse a prior art rejection, the substance of the communications between the applicant and the examiner may *further* notify the public as to additional limits on the enforceable scope of the patent claims. Depending on factors such as the breadth of the examiner's rejection, the manner in which the patent applicant amends his claims to overcome the objection, and the nature of the technology at issue, a reasonable competitor might construe the applicant's remarks and amendments to evince a surrender of claim scope greater than the all-elements rule would require. *See Hughes Aircraft Co. v. United States,* 717 F.2d 1351, 1363, 219 U.S.P.Q. 473, 481 (Fed. Cir. 1983) ("Depending on the nature and purpose of an amendment, it may have a limiting effect within a spectrum ranging from great to small to zero."). We describe this doctrine as "prosecution history estoppel," precisely because a hypothetical reasonable competitor should be able to rely on the applicant's representations and amendments as a surrender of subject matter.[11] The doctrine of prosecution history estoppel supplements the all-elements rule by providing a set of rules for notifying the public whether, and to what extent, the scope of protection is even narrower than what the all-elements rule would allow. *See Warner-Jenkinson,* 520 U.S. at 34, 117 S. Ct. at 1051 ("[P]rosecution

[11] We do not require the alleged infringer to demonstrate actual personal reliance on the statements in the prosecution history. *See* 5 Donald S. Chisum, Chisum on Patents, § 18.05[1][a][i], at 18-416.

history estoppel places reasonable limits on the doctrine of equivalents, and further [than the all-elements rule] insulates the doctrine from any feared conflict with the Patent Act.").

In contrast to the doctrine of prosecution history estoppel we have applied until today, the majority's new complete bar rule does not supplement the all-elements rule as a way to further clarify the scope of equivalents available to the patentee. Rather than attempt to "refine" our case law as to how the added claim limitations should be enforced in light of the substance of the communications between examiner and applicant, the majority's new rule simply forecloses all application of the doctrine of equivalents for any amended claim limitation. This approach by-passes the all-elements rule altogether. *See* Maj. Op. at 48a ("Following the methodology outlined above, we conclude that prosecution history estoppel bars the application of the doctrine of equivalents to this element of the claims of the Carroll patent. In view of this determination, we do not reach the 'all elements' rule.").

The majority's concept of prosecution history estoppel is hardly an "estoppel" at all. The majority's approach gives no consideration to whether a reasonable competitor would rely on the nature of the rejections and of the amendments and statements between the applicant and the examiner as evidence of a surrender of subject matter. According to the majority, once there has been a limiting amendment, no consideration may be given to the breadth of the rejection, the closeness of the prior art, the manner of the applicant's remarks and amendments, or the nature of the technology. All equivalents of that limitation are foreclosed by the mere fact of amendment. The majority's rule might more aptly be called "bar by amendment" rather than "estoppel," which has always been measured by what a reasonable competitor would understand the applicant to

have surrendered in order to procure his patent. I believe that looking solely to the fact of amendment, rather than the substance of communications between the applicant and the examiner, is contrary to the principles that the Supreme Court (and our court) has always applied in determining the scope of estoppel.

Under the majority's rule, in contrast to the Supreme Court's application of the all-elements rule and prosecution history estoppel, a patentee retains no range of equivalents for a claim limitation that has been amended for patentability reasons. This approach upsets the Supreme Court's balance between the competing needs of sufficient public notice and meaningful patent protection. At the very minimum, I believe the majority's rule is unfairly harmful, because it deprives patentees of any recourse to the doctrine of equivalents for any added or narrowed limitation, no matter how minor the amendment. More importantly, however, I believe that precluding a patentee's right to seek protection under the doctrine of equivalents for amended limitations will, in many cases, "convert the protection of the patent grant into a hollow and useless thing." *Graver Tank & Mfg. Co. v. Linde Air Products Co.,* 339 U.S. 605, 607, 70 S. Ct. 854, 856 (1950).

Would-be copyists, of course, will exploit the majority's bar. Unwittingly, the majority has severely limited the protection previously available to patentees. Indeed, it may nullify the doctrine of equivalents. Under the majority's approach, anyone who wants to steal a patentee's technology need only review the prosecution history to identify patentability-related amendments, and then make a trivial modification to that part of its product corresponding to an amended claim limitation. All the other limitations may be copied precisely. The competitor will then be free to make, use, or sell an insubstantial variant of the patentee's

invention. It appears to me that this complete bar approach upsets the balance that the Supreme Court has struck. Under this approach, most patentees will lose the protection against copying that the Supreme Court unanimously reaffirmed in *Warner-Jenkinson.*

II. Supreme Court Precedent

The majority asserts that the Supreme Court has never "addressed or answered" the question as to whether a scope of equivalents remains after a claim limitation has been added or amended for a reason relating to patentability. The majority quotes language from six Supreme Court cases dealing with prosecution history estoppel,[12] and asserts that in these six cases, "the Court did not analyze the actual scope of equivalents that might be available when prosecution history estoppel applied." The Court thereby posits that "[w]e think it is fair to say" that this question remains open. I agree with the majority that, in four of these six cases, the Supreme Court did not address the question presently at bar. As to the other two cases, *Hubbell v. United States,* 179 U.S. 77, 21 S. Ct. 24 (1900), and *Shepard v. Carrigan,* 116 U.S. 593, 6 S. Ct. 493 (1886), the majority and I draw different conclusions. Most importantly, however, I can hardly agree with my colleagues that, upon a review of only these six Supreme Court cases, they can rightfully draw the conclusion that never has the Court "answered or addressed" today's question.

The Supreme Court has decided many more than

---

[12] These six cases are *Warner-Jenkinson,* 520 U.S. at 17, 117 S. Ct. at 1040; *Exhibit Supply Co. v. Ace Patents Corp.,* 315 U.S. 126, 62 S. Ct. 513 (1942); *Smith v. Magic City Kennel Club,* 282 U.S. 784, 51 S. Ct. 291 (1931); *Weber Elec. Co. v. E.H. Freeman Elec. Co.,* 256 U.S. 668, 41 S. Ct. 600 (1921); *Hubbell v. United States,* 179 U.S. 77, 21 S. Ct. 24(1900); and *Shepard v. Carrigan,* 116 U.S. 593, 6 S. Ct. 493 (1886).

these six cases relevant to prosecution history estoppel. *Hurlbut v. Schillinger,* 130 U.S. 456, 9 S. Ct. 584 (1889), is one particularly noteworthy case, wherein the Supreme Court ruled that a patentee, who had disclaimed a portion of his invention, and who had been found in prior litigation to be precluded from asserting his claims against one accused device in light of that disclaimer, nonetheless remained entitled to a judgment of infringement by a different device that was more closely equivalent to his claimed invention. The majority also disregards the legal standard repeatedly articulated by the Supreme Court that is consistent only with a flexible approach to prosecution history estoppel, i.e., that an amended claim may be infringed if "an omitted part is supplied by an equivalent device or instrumentality." *See, e.g., Warner-Jenkinson,* 520 U.S. at 32, 117 S. Ct. at 1050; *Fay v. Cordesman,* 109 U.S. 408, 420-21, 3 S. Ct. 236, 244-45 (1883). Furthermore, the majority nowhere recognizes that the Supreme Court has articulated a consistent, uniform doctrine for applying the doctrine of prosecution history estoppel since the 1880s, with no suggestion in *Warner-Jenkinson* or other recent cases that it sought to depart from its earlier holdings.

Many of the cases I cite were decided in the 1800s. Before discussing them, I would like to make three general points about this older precedent. First, the Supreme Court was very active in the patent field in the late 1800s. From 1880 to 1900, the Court decided no fewer than ninety patent infringement cases, with many of these cases being highly relevant to the present appeal. From my review of these cases, and the far fewer number of cases the Court decided in the 1900s, it appears that the Court established the basic contours of patent law in the late 1800s, including on equivalency and estoppel, and has reaffirmed these same principles ever since. Indeed, more recent Supreme Court cases, such as *Warner-Jenkinson,* 520 U.S. at 31, 117 S. Ct.

at 1049-50; *Graver Tank & Manufacturing Co. v. Linde Air Products Co.*, 339 U.S. 605, 608-09, 70 S. Ct. 854, 856 (1950); *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126, 136, 62 S. Ct. 513, 518-19 (1942); and *Smith v. Magic City Kennel Club, Inc.*, 282 U.S. 784, 790, 51 S. Ct. 291, 293-94 (1931), are remarkable in the degree to which they cite nineteenth century cases, and in their express insistence on adhering to older precedent.

Second, in addition to being old, many of the cases I cite involve reissue patents.[13] But the law of prosecution history estoppel has developed with equal applicability to reissue patents and original patents whose claims were amended during prosecution. By at least 1879, the Supreme Court recognized that the process of obtaining a reissue patent precluded the patentee from recapturing that which he had disclaimed (i.e., surrendered) through the reissuance process. *See Leggett v. Avery*, 101 U.S. 256, 260 (1879); *see also Union Metallic Cartridge Co. v. United States Cartridge Co.*, 112 U.S. 624, 642, 5 S. Ct. 475, 485 (1884) (applying principles of prosecution history estoppel to claims of reissue patent). Considering that *Leggett*, which concerns a reissue patent, is the foundation for much of the Court's subsequent treatment of what we now call "prosecution history estoppel," *see, e.g., Schriber-Schroth Co. v.*

---

[13] The Patent Act of 1836 authorized a patentee to surrender the claims of his original patent and to obtain a reissue patent whenever the patent was "inoperative, or invalid, by reason of a defective or insufficient description or specification, or by reason of the patentee claiming in his specification as his own invention, more than he had or shall have a right to claim as new." Patent Act of 1836, Ch. 357, 5 Stat. 117, at § 13 (July 4, 1836); *see also Gage v. Herring*, 107 U.S. 640, 644-45, 2 S. Ct. 819, 823 (1883). The Patent Act of 1870, which governs many of the cases discussed below, made no change in this provision, except for the deletion of the words "description or." Patent Act of 1870, Ch. 230, 16 Stat. 198-217, at § 53 (July 8, 1870); *see also Gage*, 107 U.S. at 644-45, 2 S. Ct. at 823.

Cleveland Trust Co., 311 U.S. 211, 221, 61 S. Ct. 235, 240 (1940) (citing *Leggett* as basis of estoppel holding), I find nothing to suggest that the presence of a reissue patent, in several cases cited below, alters the legal standards articulated by the Court for resolving disputes involving prosecution history estoppel on claims issued in the original prosecution. Rather, the Supreme Court compared the original and reissue claims to measure the scope of estoppel, treating the reissue claims like amended claims.

Finally, although these older cases do not specifically recite either of the synonymous phrases "prosecution history estoppel" or "file wrapper estoppel," the principles articulated in these cases form the core of the doctrine of prosecution history estoppel that we have applied until today. The phrase "file wrapper estoppel" was not employed by the Supreme Court until its decision in *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126, 128, 62 S. Ct. 513, 515 (1942), and the Supreme Court did not use the phrase "prosecution history estoppel" until *Warner-Jenkinson,* 520 U.S. at 30, 117 S. Ct. at 1049. Nonetheless, the Court recognized in *Warner- Jenkinson* that many of the cases I cite below, such as *Sutter* and *Hubbell,* indeed set forth the principles of our present doctrine of "prosecution history estoppel." *See Warner-Jenkinson,* 520 U.S. at 30-31, 117 S. Ct. at 1049-50. I believe that the absence of the phrase "prosecution history estoppel" in the cases I cite is hardly a convincing basis for distinguishing them.

A. *Goodyear Dental Vulcanite Co. v. Davis*

One of the first cases in which the Supreme Court discussed the principles underlying our present doctrine of prosecution history estoppel is also one of the most instructive. *Goodyear Dental Vulcanite Co. v. Davis,* 102 U.S. 222, 223-27 (1880) concerns a reissue patent for a

rubberized dental plate, claiming "[t]he plate of hard rubber or vulcanite, or its equivalent, for holding artificial teeth, or teeth and gums, substantially as described." The Supreme Court recognized that the patentee, Cummings, had restricted his claims during the reissuance process to a dental plate made of hard "vulcanized" rubber, and thus that Cummings was precluded from asserting that a dental plate made of celluloid (a softer, chemically distinct, unvulcanized material) was an equivalent of the claimed invention. Notwithstanding this restriction on the available scope of equivalents, the Court nonetheless stated that Cummings could assert infringement by other products that were equivalent to those recited in the patent:

> If, when the patent was granted, there were known substances, other than rubber or cacutchouc, gutta-percha, or gums, that could be vulcanized by the Goodyear process, and converted from a soft into a hard, elastic material, any use of that material for a dental plate *might have been an equivalent* for the Cummings material, and an infringement of his patent.

Id. at 227 (emphasis added). The Court continued, stating that although Cummings had limited his claims to a vulcanized product, and was thus precluded from asserting the equivalence of a softer, celluloid, unvulcanized product, Cummings nonetheless retained protection against equivalents. The Court stated: "It may be conceded *the patentee is protected against equivalents for any part of his invention.*" *Id.* at 230 (emphasis added). Thus, the Court recognized that although a patentee, by amending his claims, may be precluded from asserting a large range of equivalents, he may still be able to assert his patent against devices that fall within a narrower range of equivalents. This statement is only consistent with a flexible approach to

prosecution history estoppel, and would be meaningless if the Court had intended a complete bar to apply.

Moreover, the Court stated that Cummings was protected against equivalents "whether he had claimed them or not." *Id.* By this statement, the Court clarified that it was not necessary for patent applicants like Cummings to recite the words "or its equivalent" or "substantially as described" in the patent claims, but rather that patentees' protection against equivalents arises independently of the particular wording of the claims.

The majority argues that the *Goodyear* Court "did not discuss prosecution history estoppel." I agree that the particular phrase "prosecution history estoppel" nowhere appears in *Goodyear*. However, the principles articulated in *Goodyear* are the foundation of the modern doctrine of prosecution history estoppel. Indeed, the Supreme Court's first opinion to discuss the doctrine of "file wrapper estoppel," *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126, 128, 62 S. Ct. 513, 515 (1942), specifically mentions *Goodyear* as a basis of that doctrine. It is also true, as the majority points out, that the *Goodyear* Court did not rule in favor of the patentee, and thus that the language I cite does not constitute a holding. I cannot agree with the majority, however, that the Court's statements fail to constitute "explicit and carefully considered language," and that the rule of *Goodyear* may be disregarded. Rather, as I will describe in the next case I cite, the Court soon thereafter applied these principles to hold that a patentee retains a range of enforceable equivalents, despite having made a disclaimer that restricted his available range of equivalents.

B. *Hurlbut v. Schillinger*

Hurlbut v. Schillinger, 130 U.S. 456, 9 S. Ct. 584

(1889), and an earlier related case, *California Artificial Stone-Pav Co. v. Schalicke,* 119 U.S. 401, 7 S. Ct. 391 (1886), concern a patent for an improvement in concrete pavements, claiming an "arrangement of tar-paper or its equivalent between adjoining blocks of concrete," such that the imposition of tar-paper between the paving blocks would facilitate the removal of a block that subsequently becomes damaged, without disrupting adjacent blocks. Schillinger obtained a reissue patent, amending the original specification to state, among other things, that "where cheapness is an object, the tar-paper may be omitted and the blocks formed without interposing anything between their joints." *Id.* at 462, 9 S. Ct. at 586. In his reissue patent, Schillinger also obtained a claim that omitted any reference to tar-paper or its equivalent.

After obtaining his reissue patent, Schillinger filed a disclaimer with the Patent Office, stating that his reissue claim was too broad, and covered kinds of pavement "of which your petitioner was not the first inventor." *Id.* at 463, 9 S. Ct. at 586. Schillinger disclaimed any coverage to an arrangement of pavement wherein the tar-paper is omitted and no material is used to separate the concrete blocks. *See id.*

Schillinger brought suit against several competitors, and two of the disputes reached the Supreme Court. In the first, *California Paving,* 119 U.S. at 406-07, 7 S. Ct. at 394-95, the Court remarked that the accused paving was neither separated into individual blocks, and nor had any material been interposed between the blocks while they were still plastic. The Court noted that Schillinger had disclaimed "the forming of blocks from plastic material without interposing anything between their joints while in the process of formation." *Id.* at 407, 7 S. Ct. at 394. The Court found no infringement, concluding that "what the defendant did was

just what the patentee disclaimed." *Id.* at 407, 7 S. Ct. at 395. Thus, it is clear from *California Paving* that Schillinger's disclaimer was sufficient to preclude him from asserting infringement by the defendant's arrangement of pavement. Although the Court did not employ the phrase "prosecution history estoppel" to describe this limitation on the effective scope of his patent, I think it is apparent that Schillinger's disclaimer had invoked such an estoppel.

In Schillinger's second suit to reach the Supreme Court, the accused product was an arrangement of pavement whose individual blocks, while still plastic, were separated from one another by means of a trowel. *See Hurlbut,* 130 U.S. at 467-68, 9 S. Ct. at 588. The Court recognized that the stroke of a trowel to separate the blocks was different than inserting tar-paper between the blocks. *See id.* The Court also recognized that Schillinger had limited the protective scope of his reissue patent through his disclaimer, and was thus precluded from asserting his claims against pavement arrangements wherein the blocks were not separated. *See id.* at 466, 9 S. Ct. at 587. The Court nonetheless held that Schillinger was still entitled to a range of equivalents after having made his disclaimer, and that using a trowel to separate the blocks was equivalent to using tar-paper. The Court stated:

> The effect of the disclaimer was to leave the patent to be one for a pavement wherein the blocks are formed by interposing some separating material between them. To limit the patent to the *permanent interposition of a material equivalent to tar-paper,* would limit the actual invention. The use of a bottom layer of coarse cement, and placing it on a course of fine cement, and dividing the upper course into blocks by a trowel run partially or wholly through the upper course while it is plastic,

> in a line coincident with the joints between the sections in the lower layer, *accomplishes the substantial results of Schillinger's invention, in substantially the way devised by him, and is within the patent as it stands after the disclaimer.*

Id. at 465, 9 S. Ct. at 587 (emphasis added). The Court continued, emphasizing that the effect of the disclaimer was not to completely preclude Schillinger from asserting equivalence, but rather that the scope of the preclusion was determined by reference to the actual embodiments that Schillinger had surrendered. The Court stated:

> *The disclaimer took out of the first claim of the reissue only so much thereof* as claimed a concrete pavement made of the plastic material laid in detached blocks, *without interposing anything in the joints* in the process of formation, leaving that claim to be one for such a pavement laid in detached blocks, when free joints are made between the blocks, by interposing permanently or temporarily between them, in the process of their formation, tar-paper *or its equivalent.*

Id. (emphasis added). The Court concluded that the accused pavement constituted an equivalent of the claimed invention "as it stands after the disclaimer," and thus that Schillinger was entitled to a judgment of infringement. The Court stated:

> We are, therefore, of opinion that the first claim of the reissue, as it stands after the disclaimer, is infringed, because the defendant's pavement is a concrete pavement, laid in detached blocks or sections, substantially in the manner shown and described in the specification of the reissue, the detached blocks in the upper course *being the*

> *equivalent* of the detached blocks or sections of the Schillinger pavement; and that the second claim of the reissue is infringed, because the temporary use of the trowel or cutting instrument, to divide the upper course into blocks, *is the equivalent of the tar-paper* of the Schillinger patent . . ..

Id. at 469, 9 S. Ct. at 588 (emphasis added).

Today's majority, noting that Schillinger recited the phrases "substantially" and "or its equivalents" in the patent claims, appears to argue that the defendant in *Hurlbut* had literally infringed the claims, and that the Court "did not discuss the issue of the scope of equivalents that remained under the doctrine of equivalents after the disclaimer." I do not agree, however, that the mere presence of the words "equivalent" or "substantially" in Schillinger's claim language somehow reduces the infringement analysis to one of literal infringement. As noted above, the *Goodyear* Court made clear that a patentee is protected against equivalents, "whether he had claimed them or not." *Goodyear,* 102 U.S. at 230. The tension at the heart of these disputes—between meaningful patent protection and adequate public notice—persists regardless of whether "equivalents" are recited in the claims or are claimed implicitly through the doctrine of equivalents. I believe that the legal framework employed by the *Hurlbut* Court to limit the range of equivalents available to Schillinger applies whether or not the words "substantially" or "or its equivalents" appear in the claims.

The Court's holding in *Hurlbut* is simply an application of the principles it established in *Goodyear.* In both cases, the Court recognized that the patent applicants' disclaimers and amendments had precluded the patentees from asserting the equivalence of certain accused devices. In both cases, however, the Court stated that, despite the

disclaimer or amendment, the patentee retained a limited scope of equivalents. Although the Court articulated its reasoning in *Goodyear* without holding in favor of the patentee, these same principles are the foundation of the Court's clear holding for the patentee in *Hurlbut.* As I read these cases, *Goodyear* and *Hurlbut* entitle a patentee to a range of equivalents despite the fact of a limiting amendment.

C. The Majority's Holding Contradicts Six Other Supreme Court Cases That Declare a Flexible Approach to Prosecution History Estoppel.

Goodyear and *Hurlbut* are the two cases I have identified where the Court has most fully described its flexible approach to prosecution history estoppel. These cases, however, are far from the only instances where the Court has set forth legal principles that are consistent only with a flexible approach. Following are six more cases where the Court set forth a legal standard that provides that patentees who have amended their original claims, and who are thus precluded from asserting a certain range of equivalents, nonetheless retain the right to assert a more limited range of equivalents. In three of these cases, the Supreme Court declared that a patentee who had introduced a new claim limitation during prosecution or during reissuance would be entitled to enforce his amended claims by showing that in the accused device, "an omitted part is supplied by an equivalent device or instrumentality." *Hubbell v. United States,* 179 U.S. 77, 82, 21 S. Ct. 24, 26 (1900); *Shepard v. Carrigan,* 116 U.S. 593, 598, 6 S. Ct. 493, 495 (1886); *Fay v. Cordesman,* 109 U.S. 408, 420-21, 3 S. Ct. 236, 244-45 (1883). Moreover, the Supreme Court restated this legal standard verbatim in *Warner-Jenkinson,* 520 U.S. at 32, 117 S. Ct. at 1050 (quoting *Hubbell).* Although the Supreme Court recited this same legal standard

in the very same words on four separate occasions over the span of 113 years, today's majority regards these cases as lacking "explicit and carefully considered language." I cannot agree.

1. *Fay v. Cordesman*

Fay v. Cordesman, 109 U.S. 408, 409, 3 S. Ct. 236, 237 (1883), concerned three patents, including a reissue patent, for a mechanical saw whose blade is alternately pushed and pulled. The reissue patent contained five claims, all of which were substantially amended from the single claim of the original patent. *See id.* at 413, 3 S. Ct. at 239-40. Noting that the accused device, a continuously rotating band saw, did not embody an adjustable saw guard, as recited in an asserted claim of the reissue patent, the Court ruled that there could be no infringement because: "If it be a claim to a combination, and be restricted to specified elements, all must be regarded as material, leaving open only the question whether an omitted part is supplied by an equivalent device or instrumentality." *Id.* at 420-21, 3 S. Ct. at 244-45 (emphasis added). Although *Fay* does not recite the words "prosecution history estoppel," its legal standard has been repeatedly reaffirmed by the Supreme Court, through *Warner-Jenkinson,* as governing the application of prosecution history estoppel. *See Warner-Jenkinson,* 520 U.S. at 32, 117 S. Ct. at 1050 (quoting *Hubbell v. United States,* 179 U.S. 77, 82, 21 S. Ct. 24, 26 (1900), which in turn quotes *Fay). Fay,* as subsequently recognized by *Warner-Jenkinson,* clearly indicates that, despite having amended his claims through the reissuance process, the inventor would still be able to assert his claims against other devices that were more closely equivalent to his invention. *Fay*'s legal standard would be meaningless if the Court had intended to disallow equivalents for amended claims.

2. *Shepard v. Carrigan*

In *Shepard v. Carrigan,* 116 U.S. 593, 6 S. Ct. 493 (1886), the Court considered whether a skirt protector lacking a "fluted or plaited band or border" infringed a claim that had been amended to include such a limitation. The Court stated that its previous holding in *Fay,* 109 U.S. at 420-21, 3 S. Ct. at 244-45, was "decisive of the present case," 116 U.S. at 598, 6 S. Ct. at 495, and thus that the proper inquiry was "'whether an omitted part is supplied by an equivalent device or instrumentality.'" *Id.* (quoting *Fay,* 109 U.S. at 420-21, 3 S. Ct. at 244-45) (emphasis added). Despite ruling that the patentee had "explicitly abandoned" claims to an unplaited skirt protector, the Court's legal standard clearly contemplates that other skirt protectors could be found to constitute "an equivalent device or instrumentality" of the invention claimed in the reissue patent. *Id.* Again, the legal standard governing *Shepard* is repeated, verbatim, in *Warner-Jenkinson. See Warner-Jenkinson,* 520 U.S. at 32, 117 S. Ct. at 1050. Although the *Shepard* Court did not use the phrase "prosecution history estoppel" to describe the limit on equivalents it applied, the Supreme Court subsequently interpreted *Shepard* as invoking such an estoppel. *See Exhibit Supply,* 315 U.S. at 128, 62 S. Ct. at 515 (citing *Shepard* as basis of doctrine of file wrapper estoppel).

3. *Sutter v. Robinson*

In *Sutter v. Robinson,* 119 U.S. 530, 7 S. Ct. 376 (1886), the patentee claimed an apparatus for "resweating" tobacco. During prosecution, the applicant amended his claims to avoid the prior art, stating that the inventive aspect was the use of a wooden, rather than metal, vessel for the tobacco. The Court stated that "the ultimate question" in the case was "whether, in such an apparatus, the use of the cases,

or boxes, or packages, in which the tobacco leaves are originally packed by the producer is equivalent to the wooden tobacco-holder mentioned in the complainants' specification." *Id.* at 542, 7 S. Ct. at 382 (emphasis added). Although the Court found that the accused device could not infringe the patent in light of the applicant's amendment, the Court's "ultimate question" clearly contemplates that other devices, although not exact copies of the patented invention, might have infringed the amended aspect of the claim under the doctrine of equivalents. This "ultimate question," of course, would be irrelevant if the Court intended a complete bar to govern equivalency disputes involving amended claims. The *Warner-Jenkinson* Court cites *Sutter* as a proper application of the doctrine of prosecution history estoppel. *See Warner-Jenkinson,* 520 U.S. at 17 n. 5, 117 S. Ct. at 1050 n. 5 (noting that in *Sutter,* "estoppel applied where, during patent prosecution, the applicant 'was expressly required to state that [the device's] structural plan was old and not of his invention'").

4. *Phoenix Caster Co. v. Spiegel*

Phoenix Caster Co. v. Spiegel, 133 U.S. 360, 10 S. Ct. 409 (1890), concerns claims to a furniture caster. The claims had been repeatedly narrowed during prosecution to a caster containing an elliptical housing opening, a collar, and a rocker-formed collar bearing. The Court ruled that the accused device "is not of a construction similar to" the patented invention, and that the accused device did not contain "any equivalent for such 'rocker-formed collar bearing,'" and thus that there was no infringement. *Id.* at 369, 10 S. Ct. at 412 (emphasis added). The Court did not foreclose application of the doctrine of equivalents in light of the patentee's multiple narrowing amendments, but still inquired whether the accused device was "similar to" or an "equivalent for" the claimed invention. *Id.* Although the

majority suggests that *Phoenix* does not involve prosecution history estoppel, the Supreme Court subsequently cited *Phoenix* as supporting the proposition at the heart of prosecution history estoppel that "[i]t is a rule of patent construction consistently observed that a claim in a patent as allowed must be read and interpreted with reference to claims that have been cancelled or rejected and the claims allowed cannot by construction be read to cover what was thus eliminated from the patent." *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 220-21, 61 S. Ct. 235, 239 (1940).

5. *Royer v. Coupe*

In *Royer v. Coupe*, 146 U.S. 524, 13 S. Ct. 166 (1892), the circuit court held that in light of the patentee's multiple limiting amendments, his claims were restricted to the eight-step process described in the specification, and that to find an infringement of the process, "'a person must be shown to have followed substantially the same process, the same mode of reaching the result as is described in the specifications.'" *Id.* at 530-31, 13 S. Ct. at 169 (quoting *Royer v. Manufacturing Co.*, 20 F. 853, 854, 856 (C.C. .Ill. 1884)) (emphasis added). The Supreme Court fully endorsed this approach to limiting the application of the doctrine of equivalents, holding that "[w]e are of opinion that the views set forth by the circuit court are sound, and that the decree must be affirmed." *Id. Royer* thus confirms that a patentee with an amended claim may still assert his rights against those utilizing "substantially the same process" as the claimed invention. *Id.* Although the phrase "prosecution history estoppel" is nowhere found in *Royer*, the Supreme Court subsequently interpreted *Royer* as invoking such an estoppel. *See Keystone Driller Co. v. Northwest Engineering Corp.*, 294 U.S. 42, 48, 55 S. Ct. 262, 265 (1935) (citing *Royer* to argue that "[w]here such broad claims are denied

and a narrower substituted, the patentee is estopped to read the granted claim as the equivalent of those which were rejected").

6. *Hubbell v. United States*

In *Hubbell v. United States,* 179 U.S. 77, 21 S. Ct. 24 (1900), the patentee had repeatedly amended his claims to a bullet cartridge. As the majority notes, the Court recognized that these amendments "must be strictly construed against the inventor and in favor of the public, and looked upon in the nature of disclaimers." *Id.* at 83-84, 21 S. Ct. at 27. The Court, however, nowhere suggested that these amendments foreclosed the patentee from all protection against equivalents. To the contrary, the Court asked whether the accused device contained the limitation at issue, or, if it did not, "'whether [the] omitted part is supplied by an *equivalent device or instrumentality.*'" *Id.* at 82, 21 S. Ct. at 26 (quoting *Fay v. Cordesman,* 109 U.S. 408, 3 S. Ct. 236 (1883)) (emphasis added). The Court recognized that, although the claims had been amended, the patentee was still "entitled to a fair construction of the terms of his claim as actually granted." *Id.* at 80, 21 S. Ct. at 25. To me, this reference to "fair construction" can only be a reference to the doctrine of equivalents, as the Court recognized that the patentee retained the right to prohibit infringement by "an equivalent device or instrumentality." As noted above, *Hubbell*'s legal standard is quoted verbatim in *Warner-Jenkinson,* 520 U.S. at 32, 117 S. Ct. at 1050.

Although the majority suggests that the *Hubbell* Court did not "discuss [ ] prosecution history estoppel," the Supreme Court has indeed interpreted *Hubbell* as an application of prosecution history estoppel. *See Warner-Jenkinson,* 520 U.S. at 31 n. 5, 117 S. Ct. at 1050 n. 5 (citing *Hubbell* as holding that "patentee estopped from excluding a

claim element where element was added to overcome objections based on lack of novelty over prior patents"). I do not agree with the majority that the absence of the words "prosecution history estoppel" in *Hubbell* and in the other cases discussed above somehow means that the Supreme Court "did not discuss the issue presented in En Banc Question 3." Rather, I believe that the Supreme Court has repeatedly set forth a legalstandard that preserves the right of patentees to assert equivalents for amended claim limitations.

D. *Warner-Jenkinson* Reaffirms Earlier Supreme Court Precedent.

The Supreme Court's most recent decision regarding prosecution history estoppel is remarkable for the extent to which it reaffirms earlier precedent and affirmatively supports the application of flexible estoppel. *See Warner-Jenkinson,* 520 U.S. at 17, 117 S. Ct. at 1040. In analyzing whether prosecution history estoppel precludes a finding that an accused product infringes an amended patent claim under the doctrine of equivalents, the Court said that courts may determine "the reason for" and the "manner" of the amendment. *Id.* at 33 n. 7, 117 S. Ct. at 1051 n. 7. Such an analysis would be unnecessary, of course, if the Court intended a complete bar. *See* 5 Donald S. Chisum, *Chisum on Patents,* § 18.05[3][c], at 18-509 ("Reference to the 'manner' of the amendment hints that a court may indeed consider whether an amendment leaves some room for equivalents of the limitation added."). The Court assumes that the PTO may have relied "upon a flexible rule of estoppel" when evaluating patent applications, and that if so it would be improper "to upset the basic assumptions of the PTO." *Warner-Jenkinson,* 520 U.S. at 32, 117 S. Ct. at 1050. As Professor Chisum has stated, to read *WarnerJenkinson* "as precluding all equivalency for a claim element added by

an amendment driven by the prior art [would be] contrary to the Supreme Court's *rejection of a 'rigid' estoppel approach."* Donald S. Chisum, *The Scope of Protection for Patents After the Supreme Court's Warner-Jenkinson Decision: The Fair Protection-Certainty Conundrum,* 14 Computer & High Tech. L. J. 1, 57 (1998) (emphasis added).

Warner-Jenkinson, however, did establish a special presumption for cases where the prosecution history reveals no reason for a narrowing amendment. In these limited circumstances, the Court held that a presumption applies that the amendment was made for a reason related to patentability, and that if the patentee is later unable to rebut that presumption, a bar to equivalents applies to the claim limitation added by the amendment. *See Warner- Jenkinson,* 520 U.S. at 33, 117 S. Ct. at 1051. Although the Court's holding does not explicitly resolve whether a bar would apply outside of the factual circumstances of that case, nothing in the opinion suggests that the Court intended to so limit the doctrine of equivalents.

That the Court's holding in *Warner-Jenkinson* is indeed narrow, and not intended to upset the established law of estoppel, is underscored by its extensive reliance on precedent dating back to 1886. In declining the invitation to alter existing rules, the *Warner-Jenkinson* Court relied on older Supreme Court decisions such as *Exhibit Supply Co. v. Ace Patents Corp.,* 315 U.S. 126, 62 S. Ct. 513 (1942), *Keystone Driller Co. v. Northwest Engineering Corp.,* 294 U.S. 42, 55 S. Ct. 262 (1935), *Smith v. Magic City Kennel Club, Inc.,* 282 U.S. 784, 788, 51 S. Ct. 291, 293 (1931), *Computing Scale Co. of America v. Automatic Scale Co.,* 204 U.S. 609, 618-20, 27 S. Ct. 307 (1907), *Hubbell v. United States,* 179 U.S. 77, 83, 21 S. Ct. 24, 26-27 (1900), and *Sutter v. Robinson,* 119 U.S. 530, 541, 7 S. Ct. 376, 381-82 (1886). The Court's reliance on its earlier cases and its

description of the methodology adopted in each of those cases indicate that the *Warner- Jenkinson* Court did not intend to overrule or change this well-established precedent; indeed, by citing to these cases, the *Warner-Jenkinson* Court endorsed their approach. Further, many of the cases cited in *Warner- Jenkinson* themselves rely on the cases I discuss above which, I believe, declare a flexible bar. *See, e.g., Hubbell,* 179 U.S. at 82, 21 S. Ct. at 26 (citing *Fay v. Cordesman,* 109 U.S. 408, 3 S. Ct. 236 (1883)); *Keystone Driller,* 294 U.S. at 48, 55 S. Ct. at 265 (citing *Royer v. Coupe,* 146 U.S. 524, 13 S. Ct. 166 (1892)); *Exhibit Supply,* 315 U.S. at 136, 62 S. Ct. at 518 (citing *Goodyear,* 102 U.S. at 228 14 The Underline name refers to the opinion's author. (1880)). The *Warner-Jenkinson* Court clearly endorsed the methodology applied in this pedigree of earlier Supreme Court cases spanning back to the nineteenth century. I believe that *Warner-Jenkinson* reaffirms the principles the Court set forth in *Goodyear* and *Hurlbut,* and underscores that these nine cases remain binding on this court today.

III. Federal Circuit Authority

As noted above, I recognize that today's en banc court has the authority to overrule prior decisions of this court, and thus that our prior decisions applying flexible or measured estoppel are not binding on the en banc court. I present the following review of our case law, however, to highlight the magnitude of today's sudden shift, and to suggest that the approach of today's majority is contrary to any notion that judge-made law should evolve in a consistent, gradual, and predictable fashion.

A. Our Adoption of Flexible Estoppel in 1983 Established the Only True "Line of Authority" in This Circuit.

Consistent with *Goodyear, Hurlbut,* and the other Supreme Court cases reviewed above, this court has held in over fifty decisions that the scope of estoppel is measured by the scope of surrender. In *Hughes Aircraft Co. v. United States,* 717 F.2d 1351, 219 U.S.P.Q. 473 (Fed. Cir. 1983) *(Markey,* Davis, Baldwin)[14] *("Hughes I"),* this court rejected a "wooden application of estoppel," and held that the application of prosecution history estoppel does not strip a patentee of all resort to the doctrine of equivalents. *Id.* The court stated:

> Depending on the nature and purpose of an amendment, it may have a limiting effect within a spectrum ranging from great to small to zero. The effect may or may not be fatal to application of a range of equivalents broad enough to encompass a particular accused product. It is *not fatal to application of the doctrine itself.*

Id. (emphasis added).

Today's majority, however, suggests that since *Hughes I,* this court has established two "lines of authority" adopting "inconsistent" views on the scope of prosecution history estoppel: one school originating with *Hughes I* favoring flexible estoppel; and a second school originating with *Kinzenbaw v. Deere & Co.,* 741 F.2d 383, 222 U.S.P.Q. 929 (Fed. Cir. 1984) *(Friedman,* Markey, Rich, Davis, Baldwin), favoring a complete bar. I disagree with that assessment. In my opinion, there is only one "line of authority." While the majority correctly notes that Professor Chisum opines that there are "two lines of authority," it neglects to mention that the second "line" consists of only two cases. *See* Chisum, *supra,* § 18.05[3][b][i], at 18-496

---

[14] The Underline name refers to the opinion's author.

("Two Federal Circuit panel decisions articulated the strict approach to estoppel.") (emphasis added). *Kinzenbaw and Prodyne Enterprises, Inc. v. Julie Pomerantz,* 743 F.2d 1581, 223 U.S.P.Q. 477 (Fed. Cir. 1984) *(Rich,* Friedman, Cowen), however, do not hold that the mere fact of amendment triggers a complete estoppel; they simply stand for the rule that courts will not undertake a "speculative inquiry" into whether a claim amendment was necessary. *Kinzenbaw,* 741 F.2d at 389, 222 U.S.P.Q. at 933; *Prodyne,* 743 F.2d at 1583, 223 U.S.P.Q. at 478.

It is true that *Kinzenbaw* and *Prodyne* contain language which, taken alone, is arguably consistent with the complete bar imposed by the court today. On its face, however, neither opinion departs from our seminal ruling only the year before in *Hughes I.* In fact, each opinion purports to follow and quotes *Hughes I. See Kinzenbaw,* 741 F.2d at 389, 222 U.S.P.Q. at 933 ("An applicant for patent . . . is not required to predict all future developments which enable the practice of his invention in substantially the same way.") (quoting *Hughes I,* 717 F.2d at 1362, 219 U.S.P.Q. at 481); *Prodyne,* 743 F.2d at 1583, 223 U.S.P.Q. at 478 ("The doctrine of prosecution history estoppel precludes a patent owner from obtaining a claim construction that would resurrect subject matter surrendered during the prosecution of his patent application.") (quoting *Hughes I,* 717 F.2d at 1362, 219 U.S.P.Q. at 481).

Further, a close reading of the opinion in each case shows that rather than substituting a complete bar for flexible estoppel based on actual surrender, the panels did indeed look to the exact scope of surrender. They simply found that the surrender covered the accused subject matter. *See Kinzenbaw,* 741 F.2d at 389, 222 U.S.P.Q. at 933 ("Instead, [the accused infringer] adopted the very element that [the patentee] had eliminated for the stated purpose of avoiding

the examiner's rejection and obtaining the patent."); *Prodyne,* 743 F.2d at 1583, 223 U.S.P.Q. at 478 ("Prodyne is estopped from now broadening the description of a claim element limited during prosecution so as to encompass a structure which a competitor should reasonably be entitled to believe is not within the legal boundaries of the patent claims in suit."). In light of the holdings of these two cases, apart from the language the majority relies on, I cannot agree with my colleagues that we have established two conflicting lines of authority regarding prosecution history estoppel.

B. This Court's Original Interpretation of *Warner-Jenkinson* Was Sound, and the Majority Has Not Explained Why We Should Overrule Our Earlier Cases.

This court has issued a series of decisions since *Warner-Jenkinson* in which we have consistently interpreted Supreme Court law to require flexible estoppel. Today's majority, however, fails to provide a satisfactory explanation as to why we should overrule our earlier cases. In *Litton Sys., Inc. v. Honeywell, Inc.,* 140 F.3d 1449, 46 U.S.P.Q.2d 1321 (Fed. Cir. 1998) *(Rader,* Newman, Bryson), one of the three cases remanded to us in light of the Supreme Court's ruling in *Warner-Jenkinson,* this court, in 1998, most emphatically adhered to the "longstanding doctrine that an estoppel only bars recapture of that subject matter actually surrendered during prosecution." *Litton,* 140 F.3d at 1455, 46 U.S.P.Q.2d at 1325. Our court clearly stated that "the application of prosecution history estoppel does not necessarily limit a patentee to the literal language of the amended element—even when an amendment has been made to overcome the prior art." *Id.* We reasoned that the *Warner-Jenkinson* Court did not intend to "change so substantially the rules of the game" concerning the scope of estoppel. *Id.* at 1457, 46 U.S.P.Q.2d at 1326 (citation omitted). We further noted that

"the entire context of the *Warner-Jenkinson* opinion shows that the Supreme Court approved the PTO's practice of requesting amendments with the understanding that the doctrine of equivalents would still apply to the amended language." *Id.* at 1456-57, 46 U.S.P.Q.2d at 1326.

Similarly, in *Hughes Aircraft Co. v. United States,* 140 F.3d 1470, 46 U.S.P.Q.2d 1285 (Fed. Cir. 1998) *(Archer,* Rader, Bryson) *("Hughes II"),* issued the same day as *Litton,* a different panel of this court indicated that "the key to prosecution history estoppel is the surrender or disclaimer of the subject matter by the patentee, which the patentee is then unable to reclaim through the doctrine of equivalents." *Id.* at 1476, 46 U.S.P.Q.2d at 1290 (referring to *Exhibit Supply,* 315 U.S. at 136, 62 S. Ct. at 518-19; *Sutter,* 119 U.S. at 541, 7 S. Ct. at 381-82). While amendments "serve to narrow the range of equivalents," not all equivalents are precluded. *Id.* We interpreted *Warner-Jenkinson* as supporting the proposition that courts may inquire into the reason for an amendment in order to "determine what subject matter the patentee actually surrendered." *Hughes II,* 140 F.3d at 1470, 46 U.S.P.Q.2d at 1290 (citing *Warner-Jenkinson* 520 U.S. at 33 n. 7, 117 S. Ct. at 1051 n. 7).

Indeed, the very same year, in *Cybor Corp. v. FAS Tech., Inc.,* 138 F.3d 1448, 46 U.S.P.Q.2d 1169 (Fed. Cir. 1998) (en banc) *(Archer),* our court, sitting en banc, stated that "[t]he relevant inquiry is whether a competitor would reasonably believe that the applicant had surrendered the relevant subject matter." *Id.* at 1457, 46 U.S.P.Q.2d at 1178. I fail to see how the majority will stabilize application of the doctrine of equivalents by overruling an en banc decision that is only two years old.

Only last year, in *Sextant Avionique, S.A. v. Analog*

Devices, 172 F.3d 817, 49 U.S.P.Q.2d 1865 (Fed. Cir. 1999) *(Lourie,* Smith, Gajarsa), this court followed Supreme Court guidance in determining the novel question whether the *Warner-Jenkinson* presumption of a complete bar applies to both explained and unexplained amendments. *See id.* at 832, 49 U.S.P.Q.2d at 1875. The *Sextant* court looked to the policies "foster[ed]" in *Warner-Jenkinson* to guide its reasoning. *See id.* at 831, 49 U.S.P.Q.2d at 1875. The court noted that the *Warner-Jenkinson* Court created the presumption of a bar because "claims . . . serve both a definitional and public notice function." *See id.* (citing *Warner-Jenkinson,* 520 U.S. at 33-35, 117 S. Ct. at 1051). The court noted:

> This policy of "public notice" is heavily implicated in the circumstance in which the presumption is operative because, by definition, it is unclear to one reading the prosecution history why a particular amendment was made. Accordingly, the Court, through the operation of the presumption, placed the burden on the patentee to clarify his reasons. The patentee's failure to so clarify and thereby rebut the presumption should not work to the detriment of the public by allowing an uncertain range of equivalency to remain as to the limitation at issue.

Id. at 832, 49 U.S.P.Q.2d at 1875. The panel concluded that a complete bar applies when the *Warner-Jenkinson* presumption arises and remains unrebutted. *See id.* ("Unguided by the prosecution history, the prior art, applicant's argument during prosecution, and sufficient evidence in rebuttal to the presumption, we have no way to set reasonable limits on how far beyond the literal scope of the term . . . the estoppel will allow the doctrine of equivalents to reach."). The court stated that under *Warner-Jenkinson,* courts must apply "a different rule of scope"

when an amendment is un explained. *Id.* at 831, 49 U.S.P.Q.2d at 1874 (emphasis added). In the circumstance of an explained amendment, however, the *Sextant* court explicitly followed Supreme Court and Federal Circuit precedent in allowing the patentee a scope of protection from infringement by equivalents. *See id.* at 831, 49 U.S.P.Q.2d at 1874 (citing *Keystone Driller Co.,* 294 U.S. at 47- 48, 55 S. Ct. 262, and *Magic City,* 282 U.S. at 788-90, 51 S. Ct. at 291). The *Sextant* court noted that "Supreme Court case law predating *Warner-Jenkinson* embraced the concept of scope in the context of amendments made to avoid prior art." *Id.*

In my opinion, today's majority has not set forth a credible explanation as to why it is overruling our prior case law interpreting *Warner-Jenkinson.* The majority merely asserts, citing only "our long experience with the flexible bar approach," that the standard we have applied until now is "unworkable." I feel that we owe greater deference to our past interpretations of Supreme Court law, or a better explanation of why our case law is suddenly seen as "unworkable."

C. From 1983 to 2000, This Court Has Consistently Applied Flexible, or Measured, Estoppel.

Panels of this court have consistently followed *Hughes I* and flexible estoppel. Indeed, in a parade of cases, from each year of this court's eighteen-year history, successive and randomly-selected panels of this court have unanimously applied the flexible bar rule, and done so without mention of its newly-discovered "unworkability." As the list below indicates, our court has embraced flexible estoppel in more than fifty cases. Ironically, these cases were decided by panels including nearly every member of today's majority. In fact, most of the members of today's majority have written an opinion, and indeed have done so since

Warner-Jenkinson, supporting flexible preclusion.

To highlight the degree by which today's majority departs from our settled law, I have provided the following list of cases that today's ruling overturns.

Federal Circuit Cases Applying Flexible Estoppel: 1983-2000

> 1983: *Hughes Aircraft Co. v. United States,* 717 F.2d 1351, 1362, 219 U.S.P.Q. 473, 481 (Fed. Cir. 1983) *(Markey,* Davis, Baldwin): ("We, as has the Supreme Court, reject the view [that amendment bars all resort to the doctrine of equivalence] as a wooden application of estoppel, negating entirely the doctrine of equivalents and limiting determination of the infringement issue to consideration of literal infringement alone.").
>
> 1984: *Bayer Aktiengesellschaft v. Duphar Int'l Research B.V.,* 738 F.2d 1237, 1243, 222 U.S.P.Q. 649, 653 (Fed. Cir. 1984) *(Kashiwa,* Cowen, Bennett) ("[W]henever the doctrine of file history estoppel is invoked, a close examination must be made as to, not only what was surrendered, but also the reason for such a surrender. The fact that claims were narrowed does not always mean that the doctrine of file history estoppel completely prohibits a patentee from recapturing some of what was originally claimed.").
>
> 1985: *Loctite Corp. v. Ultraseal Ltd.,* 781 F.2d 861, 871, 228 U.S.P.Q. 90, 96 (Fed. Cir. 1985) *(Baldwin,* Davis, Kashiwa).
>
> 1986: *Mannesmann Demag Corp. v. Engineered Metal Prod. Co., Inc.,* 793 F.2d 1279, 1284, 230

U.S.P.Q. 45, 48 (Fed. Cir. 1986) *(Newman,* Baldwin, Cowen) ("Amendment of claims during patent prosecution does not necessarily bar all benefit of the doctrine of equivalents."); *Great Northern Corp. v. Davis Core & Pad Co., Inc.,* 782 F.2d 159, 166, 228 U.S.P.Q. 356, 359-60 (Fed. Cir. 1986) *(Rich,* Markey, Kashiwa); *Moeller v. Ionetics, Inc.,* 794 F.2d 653, 659, 229 U.S.P.Q. 992, 996 (Fed. Cir. 1986) *(Nichols,* Friedman, Smith); *Chemical Eng'g Corp. v. Essef Indus., Inc.,* 795 F.2d 1565, 1573 n. 8, 230 U.S.P.Q. 385, 391 n. 8 (Fed. Cir. 1986) *(Markey,* Rich, Baldwin).

1987: *Townsend Eng'g Co. v. Hitec Co., Ltd.,* 829 F.2d 1086, 1090, 4 U.S.P.Q.2d 1136, 1139 (Fed. Cir. 1987) *(Friedman,* Baldwin, Newman); *Tandon Corp. v. United States Int'l Trade Comm'n,* 831 F.2d 1017, 1026, 4 U.S.P.Q.2d 1283, 1290 (Fed. Cir. 1987) *(Newman,* Friedman, Archer); *Pennwalt Corp. v. Durand-Wayland, Inc.,* 833 F.2d 931, 939 n. 2, 4 U.S.P.Q.2d 1737, 1743 n. 2 (Fed. Cir. 1987) (en banc).

1988: *Hi-Life Prod., Inc. v. American Nat'l Water-Mattress Corp.,* 842 F.2d 323, 325, 6 U.S.P.Q.2d 1132, 1134 (Fed. Cir. 1988) *(Bissell,* Markey, Davis); *Water Techs. Corp. v. Calco, Ltd.,* 850 F.2d 660, 667, 7 U.S.P.Q.2d 1097, 1102 (Fed. Cir. 1988) *(Nies,* Archer, Skelton); *Diversitech Corp. v. Century Steps, Inc.,* 850 F.2d 675, 681, 7 U.S.P.Q.2d 1315, 1320 (Fed. Cir. 1988) *(Newman,* Davis, Archer).

1989: *LaBounty Mfg., Inc. v. United States Int'l Trade Comm'n,* 867 F.2d 1572, 1576, 9 U.S.P.Q.2d 1995, 1999 (Fed. Cir. 1989) (per curiam) *(Nies,*

Bissell, Archer) ("[T]he breadth of the amendment does not necessarily equate with the breadth of the resulting estoppel."); *Sun Studs, Inc. v. ATA Equip. Leasing, Inc.*, 872 F.2d 978, 987, 10 U.S.P.Q.2d 1338, 1345 (Fed. Cir. 1989) *(Newman,* Friedman, Bennett) ("The scope of estoppel must be determined in light of the prior art that occasioned the change, as well as representations made to the patent examiner as to the reason for the change."); *Environmental Instruments, Inc. v. Sutron Corp.*, 877 F.2d 1561, 1566, 11 U.S.P.Q.2d 1132, 1136 (Fed. Cir. 1989) *(Rich,* Nies, Michel); *Black & Decker, Inc. v. Hoover Serv. Ctr.*, 886 F.2d 1285, 1295, 12 U.S.P.Q.2d 1250, 1258 (Fed. Cir. 1989) *(Markey,* Newman, Archer).

1990: *Jonsson v. Stanley Works,* 903 F.2d 812, 817, 14 U.S.P.Q.2d 1863, 1868 (Fed. Cir. 1990) *(Re,* Markey, Newman); *Hormone Research Found., Inc. v. Genentech, Inc.*, 904 F.2d 1558, 1564, 15 U.S.P.Q.2d 1039, 1044 (Fed. Cir. 1990) *(Archer,* Cowen, Michel); *Insta-Foam Prods., Inc. v. Universal Foam Sys., Inc.*, 906 F.2d 698, 703, 15 U.S.P.Q.2d 1295, 1298 (Fed. Cir. 1990) *(Archer,* Mayer, Skelton).

1991: *Dixie USA, Inc. v. Infab Corp.*, 927 F.2d 584, 588, 17 U.S.P.Q.2d 1968, 1970-71 (Fed. Cir. 1991) *(Lourie,* Mayer, Friedman) ("Appellants argue that they should be able to obtain some degree of equivalence even in the face of prosecution history estoppel, and that a total preclusion of equivalence should not apply. As a general proposition, that principle is correct . . ."); *Vaupel Textilmaschinen KG v. Meccanica Euro Italia S.P.A.*, 944 F.2d 870, 882, 20 U.S.P.Q.2d 1045, 1054 (Fed. Cir. 1991)

(Lourie, Newman, Rader); *Laitram Corp. v. NEC Corp.,* 952 F.2d 1357, 1361, 21 U.S.P.Q.2d 1276, 1279- 80 (Fed. Cir. 1991) *(Newman,* Archer, Rader).

1992: *Charles Greiner & Co., Inc. v. Mari-Med Mfg., Inc.,* 962 F.2d 1031, 1036, 22 U.S.P.Q.2d 1526, 1530 (Fed. Cir. 1992) *(Rader,* Plager, Smith).

1993: *Texas Instruments, Inc. v. United States Int'l Trade Comm'n,* 988 F.2d 1165, 1174, 26 U.S.P.Q.2d 1018, 1025 (Fed. Cir. 1993) *(Clevenger,* Nies, Kaufman) ("Application of this test [to determine whether the patentee may assert the doctrine of equivalents,] requires, in each case, examination of the prosecution history taken as a whole."); *Wang Labs., Inc. v. Toshiba Corp.,* 993 F.2d 858, 26 U.S.P.Q.2d 1767 (Fed. Cir. 1993) *(Lourie,* Archer, Clevenger); *Hoganas AB v. Dresser Indus., Inc.,* 9 F.3d 948, 951, 28 U.S.P.Q.2d 1936, 1939 (Fed. Cir. 1993) *(Plager,* Smith, Clevenger).

1994: *Genentech, Inc. v. Wellcome Found. Ltd.,* 29 F.3d 1555, 1567, 31 U.S.P.Q.2d 1161, 1170 (Fed. Cir. 1994) *(Plager,* Cowen, Lourie).

1995: *Southwall Techs., Inc. v. Cardinal IG Co.,* 54 F.3d 1570, 1579, 34 U.S.P.Q.2d 1673, 1676 (Fed. Cir. 1995) *(Michel,* Lourie, Bryson); *Pall Corp. v. Micron Separations, Inc.,* 66 F.3d 1211, 1219, 36 U.S.P.Q.2d 1225, 1230 (Fed. Cir. 1995) *(Newman,* Rich, Mayer).

1996: *Modine Mfg., Co. v. United States Int'l Trade Comm'n,* 75 F.3d 1545, 1556, 37 U.S.P.Q.2d 1609, 1616 (Fed. Cir. 1996) *(Newman,* Mayer, Clevenger); *Athletic Alternatives, Inc. v. Prince Mfg., Inc.,* 73 F.3d 1573, 1582, 37 U.S.P.Q.2d 1365, 1373 *(Michel,*

Nies, Clevenger); *Insituform Tech., Inc. v. Cat Contracting, Inc.*, 99 F.3d 1098, 1101, 40 U.S.P.Q.2d 1602, 1609 (Fed. Cir. 1996) *(Michel,* Archer, Schall).

1997: *Hilton Davis Chem. Co. v. Warner-Jenkinson Co., Inc.*, 62 F.3d 1512, 1525, 35 U.S.P.Q.2d 1641, 1651 (Fed. Cir. 1995) (per curiam); *Wang Labs., Inc. v. Mitsubishi Elecs. Amer., Inc.*, 103 F.3d 1571, 1578, 41 U.S.P.Q.2d 1263, 1269 (Fed. Cir. 1997) *(Rich,* Mayer, Schall); *Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1574-75, 41 U.S.P.Q.2d 1961, 1968 (Fed. Cir. 1997) *(Lourie,* Mayer, Rader).

1998: *Cybor Corp. v. FAS Tech., Inc.*, 138 F.3d 1448, 1460, 46 U.S.P.Q.2d 1169, 1178 (Fed. Cir. 1998) (en banc) *(Archer); Litton Sys., Inc. v. Honeywell, Inc.*, 140 F.3d 1449, 1455, 46 U.S.P.Q.2d 1321, 1326 (Fed. Cir. 1998) *(Rader,* Newman, Bryson) ("In accord with the Supreme Court's understanding, this court has repeatedly stated that application of prosecution history estoppel does not necessarily limit a patentee to the literal language of the amended element—even when an amendment has been made to overcome the prior art."); *Hughes Aircraft Co. v. United States,* 140 F.3d 1470, 1476, 46 U.S.P.Q.2d 1285, 1290 (Fed. Cir. 1998) *(Archer,* Rader, Bryson) ("[T]he key to prosecution history estoppel is the surrender or disclaimer of subject matter by the patentee, which the patentee is then unable to reclaim through the doctrine of equivalents . . .. In evaluating the reason behind an amendment, a court must 'determine what subject matter the patentee actually surrendered.'"); *Laitram Corp. v. Morehouse Indus., Inc.*, 143 F.3d

1456, 1464, 46 U.S.P.Q.2d 1609, 1615-16 (Fed. Cir. 1998) (Lourie, Michel, Skelton); *EMI Group North Amer. Inc. v. Intel Corp.*, 157 F.3d 887, 897, 48 U.S.P.Q.2d 1181, 1189 (Fed. Cir. 1998) *(Newman,* Plager, Bryson) ("Cancellation of a claim that is written broadly does not always generate an estoppel to narrower subject matter. The particular facts must be considered."); *Desper Prod., Inc. v. QSound Labs, Inc.*, 157 F.3d 1325, 1338, 48 U.S.P.Q.2d 1088, 1098 (Fed. Cir. 1998) *(Plager,* Clevenger, Gajarsa); *Bai v. L & L Wings, Inc.*, 160 F.3d 1350, 1356, 48 U.S.P.Q.2d 1674, 1679 (Fed. Cir. 1998) *(Lourie,* Rich, Rader); *Insituform Tech., Inc. v. Cat Contracting, Inc.*, 161 F.3d 688, 692, 48 U.S.P.Q.2d 1610, 1614 (Fed. Cir. 1998) *(Michel,* Archer, Schall).

1999: *Pharmacia & Upjohn Co. v. Mylan Pharms., Inc.*, 170 F.3d 1373, 1377, 50 U.S.P.Q.2d 1033, 1037 (Fed. Cir. 1999) *(Lourie,* Newman, Schall); *Sextant Avionique, S.A. v. Analog Devices, Inc.*, 172 F.3d 817, 830-32, 49 U.S.P.Q.2d 1865, 1870-72 (Fed. Cir. 1999) *(Lourie,* Smith, Gajarsa); *Augustine Med. Inc. v. Gaymar Indus., Inc.*, 181 F.3d 1291, 1298, 50 U.S.P.Q.2d 1900, 1905 (Fed. Cir. 1999) *(Mayer,* Rader, Gajarsa); *Loral Fairchild Corp. v. Sony Corp.*, 181 F.3d 1313, 1323, 50 U.S.P.Q.2d 1865, 1871 (Fed. Cir. 1999) *(Archer,* Michel, Plager); *Merck & Co. v. Mylan Pharms. Inc.*, 190 F.3d 1335, 1341, 51 U.S.P.Q.2d 1954, 1958 (Fed. Cir. 1999) *(Newman,* Lourie, Clevenger); *K-2 Corp. v. Salomon S.A.*, 191 F.3d 1356,1368, 52 U.S.P.Q.2d 1001, 1008 (Fed. Cir. 1999) *(Clevenger,* Rader, Gajarsa) (In order to prevent infringers from "stealing the benefits of an invention, . . . the doctrine of equivalents must . . . remain within the

boundaries established by the prior art, the scope of the patent claims themselves, and any surrendered subject matter.").

2000: *Bayer AG v. Elan Pharm. Research Corp.*, 212 F.3d 1241, 1251, 54 U.S.P.Q.2d 1711, 1717 (Fed. Cir. 2000) *(Schall,* Clevenger, Bryson); *KCJ Corp. v. Kinetic Concepts, Inc.*, 223 F.3d 1351, 1358, 55 U.S.P.Q.2d 1835, 1842 (Fed. Cir. 2000) *(Rader,* Plager, Clevenger).

IV. The Majority's Rule Likely Will Have Unintended and Adverse Consequences that Undermine the Policies Advanced by the Supreme Court's Interpretation of the Doctrine of Equivalents.

The doctrine of equivalents was created to prevent "fraud on a patent," such as near-literal copying of the claimed invention with the addition of merely insubstantial changes in order to avoid liability for literal infringement. *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*, 339 U.S. 605, 608, 70 S. Ct. 854, 856 (1950). *Winans v. Denmead,* 56 U.S. 330 (1853), was the first Supreme Court case to address the doctrine of equivalents. In *Winans,* the Court adopted the doctrine in order to prevent precisely the abuse that today's ruling will allow, namely, the appropriation of patented inventions by making trivial modifications to a claimed device. The Court recognized that "the exclusive right to the thing patented is not secured, if the public are at liberty to make substantial copies of it, varying its form or proportions." *Id.* at 343. In *Graver Tank,* the Court reiterated the necessity of the doctrine of equivalents, stating:

[C]ourts have also recognized that to permit imitation of a patented invention which does not copy every literal detail would be to convert the

> protection of the patent grant into a hollow and useless thing. Such a limitation would leave room for—indeed *encourage—the unscrupulous copyist to make unimportant and insubstantial changes and substitutions* in the patent which, though adding nothing, would be *enough to take the copied matter outside the claim,* and hence outside the reach of law.

339 U.S. at 607, 70 S. Ct. at 856 (emphasis added).

Despite repeated petitions seeking to abolish the doctrine of equivalents, the Supreme Court has steadfastly ruled that patentees are entitled to its protection. *See Warner-Jenkinson,* 520 U.S. at 21, 117 S. Ct. at 1045 (declining to "speak the death of that doctrine"). As a lower court, we must respect the Supreme Court's decision to accord patentees the benefits of the doctrine of equivalents. I believe that the majority's new rule, far from providing patentees the protections the Supreme Court has guaranteed, unfairly strips most patentees of the right to assert infringement under the doctrine of equivalents.

A. Today's Ruling Provides Copyists with a Fail-Safe Method to Avoid Liability for Infringement.

The majority discusses the unpredictability of prosecution history estoppel under a flexible approach, and how its complete bar "eliminates the public's need to speculate as to the subject matter surrendered by a narrowing claim amendment." As a solution to this problem of the doctrine of equivalents, today's ruling simply denies any resort to the doctrine, for amended claim limitations.

Today's ruling will allow copyists to readily avoid liability despite practicing the substantial equivalent of the claimed invention. Anyone seeking to lawfully copy a

patented technology will only have to adopt the following method: (1) read the prosecution history to identify amendments made for patentability reasons; (2) copy every other limitation exactly, but substitute any known interchangeable structure, matter, or step for any limitation that has been amended. Any change, no matter how "unimportant and insubstantial," to even one amended limitation will be sufficient to avoid liability under the majority's rule.

The ease and certainty with which this method can be applied may be readily appreciated with reference to cases such as *Insituform Technologies, Inc. v. Cat Contracting, Inc.*, 99 F.3d 1098, 40 U.S.P.Q.2d 1602 (Fed. Cir. 1996). The asserted patent in *Insituform* claimed a process for impregnating the interior felt repair lining of an underground pipe with resin by using a cup attached over a hole on the outside of the pipe to apply a vacuum downstream of the resin. The resin is thereby made to flow along the interior of the pipe towards the vacuum, permeating the felt and curing it. *See id.* at 1103, 40 U.S.P.Q.2d at 1605. The patentee had amended the asserted patent claim in response to an examiner's patentability rejection to include the limitation that the vacuum be applied sequentially in a stepwise fashion using a cup that was repeatedly removed from one location along the pipe and moved further downstream once the resin had profused near the original location of the cup. *See id.* at 1104, 40 U.S.P.Q.2d at 1606.

A copyist's first step in exploiting today's ruling to avoid liability, then, would be to identify a claim limitation that was amended for patentability reasons. Here, that is the limitation requiring the successive application of a cup to different locations along the outside of the pipe. The second step, then, would be to determine the most convenient substitute for this limitation. In this case, the copyist could

simply apply the vacuum simultaneously using two cups. As we held in *Insituform,* this would be sufficient to avoid literal infringement. 99 F.3d at 1106-07, 40 U.S.P.Q.2d at 1608. And under today's ruling the amended limitation is not entitled to any protection under the doctrine of equivalents, so the copyist will have succeeded in avoiding all liability by simply practicing the claimed invention, but using two cups.

Because today's ruling completely eliminates protection against known substitutes for the amended limitation, any competitor adopting this method would be free from liability, as the amended limitation is not met literally but rather is supplied by an obvious equivalent. To me, protection against such "close copying" is the central office of the doctrine of equivalents. The Supreme Court clearly warned of this danger in *Graver Tank. See* 339 U.S. at 607, 70 S. Ct. at 856 ("Outright and forthright duplication is a dull and very rare type of infringement. To prohibit no other would place the inventor at the mercy of verbalism and would be subordinating substance to form. It would deprive him of the benefit of his invention.").

Prosecution history estoppel, moreover, is an equitable doctrine. By its very purpose, equity jurisprudence provides a remedy individually tailored to the circumstances of the dispute at hand. As stated by the Supreme Court:

> The essence of equity jurisdiction has been the power of the Chancellor to do equity and to mould each decree to the necessities of the particular case. *Flexibility rather than rigidity has distinguished it.* The qualities of mercy and practicality have made equity the instrument for nice adjustment and reconciliation between the public interest and private needs as well as between competing private claims.

Hecht Co. v. Bowles, 321 U.S. 321, 329-30, 64 S. Ct. 587, 592 (1944) (emphasis added). Today's ruling, however, imposes a rigid legal rule upon the application of the equitable doctrine of prosecution history estoppel. The complete bar eliminates the flexibility that equity demands. Without this flexibility, courts are precluded from protecting patentees from copyists.

B. The Ability of Copyists to Avoid Liability Under the Complete Bar Will Be Particularly Severe in Certain Types of Technology.

Copyists will be able to apply today's ruling, using the fail-safe method noted above, to avoid liability in many, if not all, areas of technology. Biotechnology is one critical field of technology that may be particularly harmed by today's ruling. Completely barring resort to the doctrine of equivalents for amended claim limitations may drastically limit the scope of protection for biotechnology patents, such as those claiming a protein molecule. *See* Amicus Curiae Brief on behalf of Chiron Corporation in support of Respondent at 16, 17, *Warner-Jenkinson* (No. 95-728).

A protein molecule can only be claimed as the complete and specific sequence of amino acids comprising the protein. *See* 37 C.F.R. § 1.821 (2000). The particular amino acids that comprise a protein chain are frequently interchangeable with other amino acids without changing the protein or its functions. As our court noted with respect to a patent claiming the protein erythropoietin, "over 3,600 different [protein] analogs can be made by substituting [interchangeable acids] at only a single amino acid position, and over a million different analogs can be made by substituting three amino acids." *Amgen, Inc. v. Chugai Pharm. Co.,* 927 F.2d 1200, 1213, 18 U.S.P.Q.2d 1016, 1026 (Fed. Cir. 1991). Many such analogs are functionally

identical to the claimed protein. Thus, a competitor seeking to make, use, or sell a protein that is protected by a patent containing an amended claim limitation will only have to substitute at a particular location in the chain an interchangeable amino acid for the particular amino acid recited in the patent claim as occupying that location. It appears that, in order to thwart such copying, a patent applicant would have to disclose and claim every single analog that is functionally equivalent to the claimed protein. Considering the vast number of specific amino acid sequences that an applicant would be forced to disclose and claim in order to secure meaningful protection for his invention, I feel the majority's rule puts an impossible burden on both the applicant and the PTO.

C. Amending Claims for Patentability Reasons Is a Common Practice That Should Not Trigger a Complete Bar.

The majority gives no hint of the magnitude of the effects that will ensue from its new rule. The vast majority of patent applications contain claims that are initially rejected in view of the prior art, and are only allowed after being amended. Patent prosecution is an iterative process in which the applicant typically submits claims that are thought to be allowable, the examiner rejects the claims in view of the prior art, and the applicant then amends the claims to traverse the examiner's patentability rejections. *See, e.g., Hughes I,* 717 F.2d at 1363, 219 U.S.P.Q. at 481 ("Amendment of claims is a common practice in prosecution of patent applications. No reason or warrant exists for limiting application of the doctrine of equivalents to those comparatively few claims allowed exactly as originally filed and never amended.").

Today's ruling may prove impractical because it

provides that the mere act of amendment to traverse a patentability rejection eliminates all protection under the doctrine of equivalents, even for equivalents that were not the subject of the amendment. This is ill-suited to the iterative process by which patent applications are prosecuted. In *Warner-Jenkinson,* the Supreme Court refused to apply prosecution history estoppel regardless of the reason for amendment expressly because to do so would "subvert the various balances" inherent in the process of rejection followed by amendment. 520 U.S. at 32 n. 6, 117 S. Ct. at 1050 n. 6. In holding that any amendment made for patentability reasons triggers a complete bar to protection under the doctrine of equivalents, today's ruling will "subvert the various balances" inherent in the process of patent prosecution. *Id.*

Rather than acquiesce to patentability rejections and thereby surrender all recourse to the doctrine of equivalents, applicants will be increasingly likely to file administrative and judicial appeals. The PTO Board of Patent Appeals and Interferences is already backlogged and often takes years to decide an appeal. Neither the PTO, nor our court, is prepared to handle any significant increase in such appeals. Such an increase could result in a significant lengthening in the average time and cost required to prosecute an application to issuance.

Furthermore, this court's imposition of a complete bar creates a perverse incentive for patent applicants, particularly those who are financially unable to invoke the appeals process, to simply abandon their applications. In many cases, it may be more effective to protect an invention by maintaining it as a trade secret than by accepting a patent that will publicize the invention, but provide protection only from literal infringement. *See Graver Tank,* 339 U.S. at 607, 70 S. Ct. at 856 ("[Protecting against only literal

infringement] would deprive [the inventor] of the benefit of his invention *and would foster concealment rather than disclosure of inventions, which is one of the primary purposes of the patent system."* (emphasis added)). As a result, the public may be deprived of useful teachings contained in patent applications that are simply abandoned after a rejection is made regarding a critical claim limitation.

D. Today's Ruling Will Significantly, and Unfairly, Reduce the Value of All Unexpired Patents That Were Amended for Patentability Reasons.

The effect of today's ruling upon previously-issued but unexpired patents may be dramatic. While I cannot predict all the consequences that may flow from today's decision, I think it is safe to say that the majority's rule will reduce the effective scope, and thus, the value, of most of the 1,200,000 patents that are unexpired and enforceable. Wholly apart from other long-term effects of the majority's rule, I feel that today's ruling will be unfairly disruptive of existing commercial relations. Today's ruling offers no "grandfathering" provision for the vast numbers of unexpired patents that contain amended claim limitations, and thus that will become increasingly susceptible to copying under today's new rule. Patent applicants who prosecuted their claims under the rule of a flexible bar will have protection limited now by our new rule of complete estoppel. As today's adoption of the complete bar was utterly unpredictable, these applicants had no way to avoid the harm that now befalls them.

I think that today's ruling might most directly impact untold numbers of licensing agreements that are predicated on the assumption that patent claims with an amended limitation are still entitled to a range of equivalents. Licensees will be tempted to exploit today's ruling using the

method for liability-free copying discussed above. A licensee could make a minor substitution of a known interchangeable element for an amended claim limitation, and then correctly claim that it is no longer practicing the patented—and licensed—invention. The licensor would then be powerless to enforce the license because the amended claim or claims simply would not cover the licensee's newly-modified product or process.

As discussed above, the Supreme Court specifically refused in *Warner-Jenkinson* to "upset the basic assumptions" regarding prosecution history estoppel. *See* 520 U.S. at 32, 117 S. Ct. at 1050. I feel that today's ruling will upset basic assumptions regarding the effective scope of patents, and will unfairly disrupt commercial relations based on these assumptions.

V. Conclusion

In the face of over one hundred years of Supreme Court case law, today's en banc majority lacks authority to establish a complete bar rule. The majority also abruptly abandons eighteen years of unvarying Federal Circuit precedent as articulated in over fifty decisions, and does so without showing their error. Moreover, I believe that imposing a complete and automatic bar to the doctrine of equivalents for claim limitations amended for patentability reasons will have adverse, unfair, and unintended consequences. I accordingly must dissent from the majority's answer to Question 3.

RADER, Circuit Judge, concurring-in-part, dissenting-in-part

A primary justification for the doctrine of equivalents is to accommodate after-arising technology. Without a doctrine of equivalents, any claim drafted in current

technological terms could be easily circumvented after the advent of an advance in technology. A claim using the terms "anode" and "cathode" from tube technology would lack the "collectors" and "emitters" of transistor technology that emerged in 1948. Thus, without a doctrine of equivalents, infringers in 1949 would have unfettered license to appropriate all patented technology using the out-dated terms "cathode" and "anode". Fortunately, the doctrine of equivalents accommodates that unforeseeable dilemma for claim drafters. Indeed, in *Warner-Jenkinson Co., Inc. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 37 (1997), the Supreme Court acknowledged the doctrine's role in accommodating after-arising technology.

Unfortunately, by barring all application of the doctrine of equivalents for amended claims, this court does not account at all for the primary role of the doctrine. All patent protection for amended claims is lost when it comes to after-arising technology, while the doctrine of equivalents will continue to accommodate after-arising technology in unamended claims. For a reason far more important than disparate treatment of claims, however, this result defies logic.

Prosecution history estoppel is an estoppel doctrine. Estoppel prevents a litigant from denying an earlier admission upon which another has already relied.* BLACK'S LAW DICTIONARY 570 (7th ed.1999). In the case of patent law, the admission is the applicant's surrender of claim scope to acquire the patent. Today's rule forfeits all protection of the doctrine of equivalents whenever applicants amend their claims, regardless of whether they in fact surrendered coverage. By definition, applicants could not

---

* This patent law version of "estoppel" varies from classical estoppel because an accused infringer need not have relied at all on the prior admission.

have surrendered something that did not even exist at the time of the claim amendment, namely after-arising technology.

The court reasons today that it will not inquire about the scope of an estoppel because it cannot with certainty ascertain the scope of the applicant's surrender. Although that premise is questionable for the reasons enunciated by Judges Michel and Linn, one thing is beyond question: That premise does not apply to after-arising technology. Because after-arising technology was not in existence during the patent application process, the applicant could not have known of it, let alone surrendered it. Nonetheless, the court would apply an estoppel where none exists and defeat the doctrine of equivalents.

LINN, Circuit Judge, concurring-in-part, dissenting-in-part, in which Circuit Judge RADER joins.

I join the majority's articulate and well-reasoned answers to Questions 1, 2 and 4; however, I must, respectfully, dissent from the answer of the majority to Question 3 and from Part III, Section C of the opinion of the court. In my opinion, the majority's new rigid bright line rule, eliminating all flexibility in the scope afforded certain claim limitations amended for a statutory purpose just because they were amended for a statutory purpose, goes too far. The reasons expressed by the majority do not justify this dramatic policy shift.

With all due respect to my colleagues in the majority, the new bright line rule, as simple as it is hoped to be in application, wrongfully sets in place a regime that increases the cost and complexity of patent prosecution to the detriment of individual inventors, start-up companies, and others unable to bear these increased costs. The new regime

also places greater emphasis on literary skill than on an inventor's ingenuity; gives unscrupulous copyists a free ride on the coattails of legitimate inventors; and changes the rules under which prosecution strategies were formulated for thousands of extant patents no longer subject to correction. I find particularly apt here the concerns expressed by the Supreme Court in *Warner-Jenkinson* when it considered the petitioner's request for a bright line rule precluding "recapture" of any part of surrendered subject matter under the doctrine of equivalents: "[t]o change so substantially the rules of the game now could very well subvert the various balances the PTO sought to strike when issuing the numerous patents which have not yet expired and which would be affected by our decision." *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17, 32 n. 6 (1997).

In my opinion, the approach to prosecution history estoppel as articulated by the Supreme Court and long followed by this court should remain the rule. As long as the reason for an amendment is explained, an estoppel by amendment should only bar recapture of the subject matter actually surrendered, as discerned from the amended claim language and the reasons articulated by the applicant for the change. The mere fact that an amendment to a claim is made pursuant to a statutory requirement is insufficient in and of itself to conclude that all subject matter beyond the literal scope of the amended claim language has been surrendered, even where the amendment is made to overcome prior art.

Both by taking an expansive view of what constitutes a "substantial reason relating to patentability" and by applying prosecution history estoppel as a complete bar to any reliance on the doctrine of equivalents for claim limitations narrowed by amendment, the majority unfairly tips the balance away from patentees and toward competitors by constraining the legitimate rights of patentees to their

inventions, even where competitors can reasonably determine the reasons for any amendments and the scope of any subject matter surrendered. In my view, this is an ill-advised major policy shift that is neither compelled nor justified at this time.

DISCUSSION

Purpose of the Patent System

The Constitution authorizes Congress "[t]o promote the Progress of . . . useful Arts, by securing for limited Times to . . . Inventors the exclusive Right to their . . . Discoveries." U.S. Const. art. I, § 8, cl. 8. The foregoing evinces the founding fathers' intent that the federal patent laws of the United States be directed to the public purpose of fostering technological progress. *See Hilton Davis Chem. Co. v. Warner-Jenkinson Co., Inc.*, 62 F.3d 1512, 1536, 35 U.S.P.Q.2d 1641, 1660 (Fed. Cir. 1995) (en banc) (Newman, J., concurring), *rev'd on other grounds,* 520 U.S. 17 (1997).

An exclusive right granted by the government for one's invention has value to an inventor as a guarantee of protection, and, thus, stimulates inventors to add to the sum of human knowledge. *See* Paul C. Craane, *At The Boundaries Of Law And Equity: The Court Of Appeals For The Federal Circuit And The Doctrine Of Equivalents,* 13 N. Ill. U.L. Rev. 105, 107-08 (1992). To obtain this exclusive right, the inventor must disclose his invention to the public. Thus, the patent also is of value to the public because such disclosures will stimulate others to add to the sum of human knowledge through the creation of other inventions utilizing the lessons learned by the patentee. *See id.* at 108-09.

Strong patent protection is key to encouraging innovation, economic growth, and American

competitiveness. *See* Paul J. Otterstedt, *Unwrapping File Wrapper Estoppel In The Federal Circuit: A New Economic Policy Approach,* 67 St. John's L. Rev. 405, 422 (1993). "From their inception, the federal patent laws have embodied a careful balance between the need to promote innovation and the recognition that imitation and refinement through imitation are both necessary to invention itself and the very life blood of a competitive economy." *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146, 109 S. Ct. 971, 103 L. Ed. 2d 118 (1989). Thus, the patent laws attempt to provide each inventor with reasonable assurances that the reward to which he or she is entitled will, in fact, be given. And, these same laws also attempt to provide competitors with notice of the patent owner's rights. Strong patent protection must both accommodate and balance justice to the patentee and notice to the public of the patentee's rights.

Claims Use Ordinary Language to Capture Concepts

To protect an invention through the United States patent laws, an inventor must use patent "claims." *See* 35 U.S.C. § 112, second paragraph (1994). The purpose of this requirement is to give notice of the technology that the patent controls. *See Slimfold Mfg. Co. v. Kinkead Indus.*, 932 F.2d 1453, 1457 (Fed. Cir. 1991) ("Inherent in our claim-based patent system is . . . the principle that the protected invention is what the claims say it is, and thus that infringement can be avoided by avoiding the language of the claims.")

There is no disputing that an inventor is free to craft claims any way he sees fit to "particularly point[ ] out and distinctly claim[ ] the subject matter [that he] regards as his invention." 35 U.S.C. § 112, second paragraph. However, a claim is a linguistic description of a mental concept. Due to the inherent limitations of language, the fit between the

description and the concept is almost always inexact. *See* Br. for Amicus Curiae Fed. Cir. Bar Assoc. in *Hilton Davis Chem. Co. v. Warner-Jenkinson, Inc.*, Appeal No. 931088, 3 Fed. Cir. B.J. 345, 348 (1993). In addition to the inexact fit caused by the inherent limitations of language, the language itself may not be adequately developed at the early stages when patent applications typically are filed, particularly in rapidly evolving research fields.

Besides the foregoing language issues, the early patent application filings encouraged by the U.S. patent laws give rise to additional difficulties in crafting a claim that particularly points out the subject matter that the inventor regards as his invention. For inventions in rapidly evolving fields, application filings are often made while the inventions are still in their nascent stages, i.e., early in the evolutionary process, necessitating inevitable and sometimes considerable fine tuning of claim language after the initial application filings have been made. Moreover, while an inventor is often aware of relevant prior art relating to the area he is developing, he is not always fully cognizant of all of the relevant prior art until after his application has been filed, thus again necessitating some fine tuning of claim language after the initial application filing has been made.

As a consequence of the foregoing, it is quite difficult for claim drafters to draft initial claims that adequately and accurately cover the "invention" on the day the patent application is filed. Consequently, claims are commonly amended during prosecution to more particularly point out and distinctly claim that which is regarded to be the invention. *See Loctite Corp. v. Ultraseal Ltd.*, 781 F.2d 861, 871, 228 U.S.P.Q. 90, 96 (Fed. Cir. 1985) (noting that comparatively few claims are allowed exactly as originally filed), overruled on other grounds by *Nobelpharma AB v. Implant Innovations*, Inc., 141 F.3d 1059, 46 U.S.P.Q.2d

1097 (Fed. Cir. 1998); *Hughes Aircraft Co. v. United States,* 717 F.2d 1351, 1363, 219 U.S.P.Q. 473, 481 (Fed. Cir. 1983); *Litton Sys. Inc., v. Honeywell, Inc.,* 140 F.3d 1449, 1455, 46 U.S.P.Q.2d 1321, 1325 (Fed. Cir. 1998).

While the majority opinion is very clear that the court's new bright line rule applies only to claim limitations narrowed by amendment, it does not articulate with like clarity what it considers to be a "narrowing" amendment. In drafting an original claim of a patent application, the writer sets out the metes and bounds of the invention using words in their ordinary sense or in any special sense ascribed to those words in the written description. When the claim drafter amends the terms used in the original claims, such as by adding an adjective or choosing a different word than originally used, such changes will serve to more distinctly point out that which is the invention and ordinarily, though not inevitably, will signify a difference in intended claim coverage. If the change is merely the substitution of one synonymous word for another or the mere clarification of language from a foreign translation, the claim drafter may intend no change whatsoever in claim scope; but the drafter's word choice may be construed after grant of the patent to imply a different scope simply because changes to claim language are not made merely for aesthetic reasons. However, just because the claim drafter amends a claim limitation, does not mean he "intends" to narrow the scope of his claim coverage or to give up all subject matter beyond the literal scope of the amended language. The only inference one should draw from the mere fact alone that an amendment was made is that the claim drafter "intends" the patent to be issued. *See* Glenn K. Beaton, *File Wrapper Estoppel And The Federal Circuit,* 68 Denv. U.L. Rev. 283, 286 (1991) (noting that the patentee presumably "intends" that his reward for promoting the progress of the useful arts be as great as possible and that the limits to his reward be as

small as possible).

Doctrine of Equivalents: Borne of Equity

"That the claims of a patent should be clear and should control the determination of infringement has been emphasized by the Supreme Court for over a century." Donald S. Chisum, *The Scope Of Protection For Patents After The Supreme Court's Warner-Jenkinson Decision: The Fair Protection- Certainty Conundrum,* 14 Santa Clara Computer & High Tech. L.J. 1, 6 (1998) (citing 5 Donald S. Chisum, Chisum on Patents, § 8.02[3] (1997)); *Merrill v. Yeomans,* 94 U.S. 568, 573-74, 24 L. Ed. 235 (1876) ("[N]othing can be more just and fair, both to the patentee and to the public, than that the former should understand, and correctly describe, just what he has invented and for what he claims a patent.") Nevertheless, the Supreme Court has recognized that "strict and literal adherence to the written claim in determining the scope of protection [to afford to a patentee] can invite subversion of a valuable right and substantially diminish the economic value of patents." Chisum, *supra,* at 6 (citing Chisum on Patents, *supra,* § 18.02); *see also Graver Tank & Mfg. Co. v. Linde Air Prods. Co.,* 339 U.S. 605, 607 (1950). In other words, a system of protection for patentees limited to literal infringement subjects the patentee to the mercy of verbalism and "would convert the protection of the patent grant into a hollow and useless thing." *Graver Tank,* 339 U.S. at 607.

Thus, "[t]o temper unsparing logic and prevent an infringer from stealing the benefit of the invention" and thereby ensure that the patent grant is not converted into a useless thing by being subject to the mercy of verbalism, the Supreme Court embraced the doctrine of equivalents. *Id.* at 608 (quoting Judge Learned Hand in *Royal Typewriter Co. v. Remington Rand,* 168 F.2d 691, 692 (2d Cir. 1948)). This

doctrine was borne of equity to allow room for justice to the patentee against those who manage to avoid the letter of the invention as it was claimed in the patent through "unimportant and insubstantial changes." *Id.* at 607; *see* Harold C. Wegner, *Equitable Equivalents: Weighing the Equities to Determine Patent Infringement in Biotechnology and Other Emerging Technologies,* 18 Rutgers Computer & Tech. L.J. 1, 6-16 (1992) (providing a definitive discussion of the origin of the doctrine of equivalents); Donald R. Dunner & J. Michael Jakes, *The Equitable Doctrine of Equivalents,* 75 J. Pat. & Trademark Off. Soc'y 857, 859 (1993) ("[T]he doctrine of equivalents did not originate strictly as a way to catch infringers who avoided the literal language of patent claims [since the doctrine of equivalents dates back long before peripheral claiming]. The doctrine was primarily an equitable one, to be applied against copyists who made only slight changes in the form of the invention."); *but see* Robert P. Taylor and Celine T. Callahan, *The Doctrine of Equivalents After Hilton Davis: Many Unanswered Questions,* 489 PLI/Pat 7, 26-27 (1997) (noting that the Supreme Court in *Warner-Jenkinson* appears to have held that the doctrine of equivalents is not a doctrine of equity).

While it is generally agreed that the doctrine of equivalents stands at the intersection of justice to the patentee and notice to competitors of the patentee's rights, the United States patent law embraces this conflict to provide an inventor with security in the patent rights granted by the law and to stimulate technological progress. *See Graver Tank,* 339 U.S. at 607 (noting that subjecting the inventor to the mercy verbalism would deprive the inventor of his invention and would foster concealment rather than disclosure of invention); *see also Hilton Davis,* 62 F.3d at 1531, 35 U.S.P.Q.2d at 1656 (Newman, J., concurring) (noting that the dependence of industry on technology, the

reduced opportunity to rely on trade secrecy because of today's enlarged analytical capability, the ease and speed of imitation and modification once the innovator has shown the way, the harshness of modern competition, and the ever-present need for industrial incentives are factors that favor a rule that tempers the rigor of literalness); Wegner, *supra,* at 31-32 (noting that "[p]atent protection that can be easily circumvented is antithetical to building a strong research-based industrial technology").

The problems noted above regarding the inherent limitations of language and the early stage of filing applications have provided justification for the lengthy history of applying the doctrine of equivalents to all claim language to adequately protect the patentee's right to his invention, despite the public notice function the claim terms serve. Even with the majority's new rule, these concepts continue to provide justification for the application of the doctrine of equivalents to original claim language.

In my opinion, the majority's new bright line rule eliminating all flexibility in the scope of claim limitations amended for a statutory purpose reflects an unjustified faith in the draftsperson to select language to perfectly describe a new and unobvious invention at an early stage of the development process. The same limitations of language noted in selecting words to describe an invention in the first instance are no less present in selecting words to avoid an examiner's rejection of that original language for one statutory reason or another.

Furthermore, the majority's new rule will substantially increase the cost of obtaining patent protection, and may in fact become prohibitively high for individual inventors and start-up companies. It will require applicants to undertake exhaustive pre-filing searches, which will not only be costly

but also time consuming. It will also require applicants to file in an original application numerous "narrow" claims or, if "broad" claims are sought, to be prepared to argue to the patent examiner, to the board of appeals, and to this court the impropriety of all rejections for patentability reasons, rather than to amend those claims, given the harsh consequences of amendments under the majority's new bright line rule. It will also deter applicants from attempting to expedite prosecution and attain early allowance by making minor or clarifying amendments to the claims, either in anticipation of the initial office action or at subsequent times during prosecution, for fear of triggering a complete bar to later reliance on the doctrine of equivalents. This will result in protracted prosecution and dramatically increased costs for many applications. These increases in costs and complexity will also come at a time when greater prosecution investments may be hard for many applicants to justify because the commercial value of the inventions covered may not then be fully apparent. In my view, this will most detrimentally impact individual inventors and start-up companies, and may have the effect of impeding, not advancing, technological progress, contrary to the purpose of the patent system.

Warner-Jenkinson's Effect on the Doctrine of Equivalents

While I agree with the majority that the question of the scope of equivalents available to a claim element that has been amended for a known patentability reason was not directly addressed by *Warner-Jenkinson,* the Supreme Court did discuss the fact that an amendment to a claim element "does not necessarily preclude infringement by equivalents of that element." *Warner-Jenkinson,* 520 U.S. at 33. In fact, where the record reveals a reason for the claim amendment, the Court noted that those "reasons for a claim amendment may avoid application of prosecution history estoppel." *Id.* In addition, the Court recognized that whether or not

prosecution history estoppel is avoided will depend upon the "reason (right or wrong) for the [examiner's rejection of the claim prior to its being amended] and the manner in which the amendment addressed and avoided that [rejection]." *Id.* at 33 n. 7, 117 S. Ct. 1040.[15]

After specifically stating that the reasons for a claim amendment are relevant to any subsequent application of prosecution history estoppel as a bar to the application of the doctrine of equivalents, *see id.* at 30-32, the Court noted that the definitional and notice functions of the claims require the patentee to establish a reason for an amendment in order to avoid the estoppel, *see id.* at 33. In the absence of a reason, the Court explained that "prosecution history estoppel would bar the application of the doctrine of equivalents as to that element," because it would be presumed that the limiting element added by amendment was for a substantial reason related to patentability. *Id.* The Court determined that "[a]pplied in this fashion, prosecution history estoppel places reasonable limits on the doctrine of equivalents, and further insulates the doctrine from any feared conflict with the Patent Act." *Id.* at 34.

If the doctrine of equivalents is completely barred when no reason for an amendment can be discerned from the prosecution history, and it is likewise completely barred when a reason is stated, what is the point of exploring the "reason (right or wrong) for the [examiner's rejection of the claim prior to its being amended] and the manner in which

---

[15] While it is true that footnote 7 was directed to a claim change made relative to avoiding the prior art, presumably the same methodology was meant to apply to claims amended for other reasons, since the Court set forth the methodology just after stating in the body of the opinion: "[w]here the reason for the [claim] change was not related to avoiding the prior art, . . . [the change] does not necessarily preclude infringement by equivalents of that element." *Warner-Jenkinson,* 520 U.S. at 33.

the amendment addressed and avoided that [rejection?]" *Id.* at 33 n. 7. Thus, adoption of a rebuttable presumption of estoppel for an amendment that was made for an unknown reason necessarily presupposes the possibility that no estoppel will apply where the reason for the amendment is known, or where the presumption is rebutted.

The petitioner argued to the Supreme Court in *Warner-Jenkinson* that "any surrender of subject matter during patent prosecution, regardless of the reason for such surrender, precludes recapturing any part of that subject matter, even if it is equivalent to the matter expressly claimed." *Id.* at 30. The Supreme Court rejected that argument. *See id.* I think it is fair to conclude that *Warner-Jenkinson* reaffirmed the long standing principle applied by this court before today that to determine the scope of prosecution history estoppel, if any, to be applied to an amended claim limitation with reasons extant in the prosecution file, one must look to the exchange between the examiner and the patentee in the prosecution file to determine that which was surrendered by the patentee in making the amendment.[16] In applying the majority's new rule, a court does not explore the exchange that occurred between the examiner and the patentee during the prosecution of the patent to elucidate the construction the

---

[16] This conclusion is further buttressed by the fact that in thinking about prosecution history estoppel, the Court in *Warner-Jenkinson* had in mind the doctrine as set forth in *Bayer Aktiengesellschaft v. Duphar Int'l Research B.V.*, 738 F.2d 1237, 222 U.S.P.Q. 649 (Fed. Cir. 1984). *See id.* at 30 (citing Bayer as a case that sets forth the "well-established limit on non-literal infringement, known variously as 'prosecution history estoppel' and 'file wrapper estoppel.' "). In *Bayer*, our court stated: "whenever the doctrine of file history estoppel is invoked, a close examination must be made as to, not only what was surrendered, but also the reason for such a surrender. The fact that claims were narrowed does not always mean that the doctrine of file history estoppel completely prohibits a patentee from recapturing some of what was originally claimed." *Bayer*, 738 F.2d at 1238, 222 U.S.P.Q. at 653.

patentee intended to disavow. Thus, the majority's new rule, invoking a complete estoppel with no flexibility for a narrowing amendment made for a statutory purpose, effectively disregards the "reason" for a change, in contravention of *Warner-Jenkinson*.

Public Policy

The majority contends that the disclaimer effect, the notice function, and the need for certainty in patent law are supporting public policies for its new strict rule regarding amended limitations. *See* maj. op. at 22a-23a. The majority asserts that by amending a claim for any reason related to a statutory requirement for obtaining a patent, the patentee disclaims subject matter encompassed by the original claim. In view of this disclaimer, the majority contends that it must be strictly construed against the inventor in favor of the public, otherwise the benefit of the doubt as to what was disclaimed comes at the public's expense. *See id.* at 573-74. But the same arguments can be made for originally filed claim limitations, which, like amended claim limitations, are a disclaimer of certain subject matter.

As mentioned previously, 35 U.S.C. § 112, second paragraph, requires that the patentee specifically claim the invention covered by the patent. The purpose of this statutory requirement to notify the public of the scope of conduct forbidden by the patent is applicable whether a limitation is originally presented by the applicant or added by amendment for any reason related to one of the statutory requirements for obtaining a patent. The majority does not explain why a new bright line rule is compelled to strictly construe the inventor's choice of words in amendments but is not similarly compelled for original claim limitations. Certainly, the benefit of the doubt as to what was disclaimed comes at the public's expense in either case.

Paradoxically, the scope and meaning of claim limitations may be more easily discerned for amended limitations, as compared with originally drafted claim limitations, based on the record developed during prosecution. First-action allowances, with no real interchange or substantive commentary between the applicant and the examiner regarding any of the originally drafted claim limitations, provide no notice of the scope and meaning of those limitations beyond the words themselves as used in the written description and claims. Thus, in some ways, the public-notice function may be better served by explained amended language than by unexplained original claim language, yet the majority's new rule favors the latter by leaving the doctrine of equivalents unrestrained for claim limitations that are not amended.

As the Supreme Court noted in *Warner-Jenkinson,* "the lengthy history of the doctrine of equivalents strongly supports adherence to [the] refusal [by the Court] in *[Graver Tank]* to find that the Patent Act conflicts with that doctrine. Congress can legislate the doctrine of equivalents out of existence any time it chooses." *Warner-Jenkinson,* 520 U.S. at 28. The Court specifically noted that the policy arguments that justify keeping or eliminating the doctrine are best addressed by Congress, not the Court. *See id.* Since the issuance of the Supreme Court's opinion in *Warner-Jenkinson,* Congress has not chosen to eliminate the doctrine of equivalents partially or entirely, and I do not believe it is the province of this court to partially legislate out of existence that doctrine for amended claim limitations; particularly in the absence of a compelling justification for treating amended claim language differently than original claim language.

Promoting Free Riders v. Promoting Progress of the Useful Arts

The majority contends that the certainty provided by the complete bar approach to amended limitations "will stimulate investment in improvements and design-arounds because the risk of infringement will be easier to determine." Maj. op. at 26a. However, in my opinion, limiting the patentee to protection of only the literal language of an amended claim limitation is not likely to promote the progress of the useful arts. Rather, the majority's new bright line rule, by constraining limitations amended for a statutory purpose to their literal terms, is likely to encourage insubstantial changes to an established product, rather than investment in break-through technological advancements. Such a rule, therefore, promotes free riding and undercuts the return on a patentee's investment.

In other words, the majority's new rule hands the unscrupulous copyist a free ride on potentially valuable patented technology, as long as the copyist merely follows the prosecution history road map and makes a change, no matter how trivial or insubstantial, to an element otherwise covered by such a narrowed claim limitation. Every other detail of the patented invention may be imitated with impunity. Such an "unscrupulous copyist" appropriates the substance of the invention while avoiding the letter of the claims, yet adds nothing to the technology. The copyist, transformed as a lawful competitor, can take refuge in the excuse that if the patentee wanted better coverage, the claims should have been prosecuted more competently.

As our predecessor court aptly stated: "[t]o allow literality to satisfy the test for infringement would force the patent law to reward literary skill and not mechanical creativity." *Autogiro Co. of Am. v. United States,* 384 F.2d 391, 399 (Ct. Cl. 1967). I do not think that is how our patent system or any patent system was intended to work. Patent laws seek to benefit the inventor's genius, not the scrivener's

talents. *See id.* The majority's new rule, which sanctions the behavior of the copyist who avoids the letter of the claims and adds nothing to the technology, is likely to be a disincentive for inventors to bear the commercial risk in developing and disclosing new technology.

The majority's concern regarding certainty is that under our previous precedent the scope of the estoppel had a spectrum of coverage and there was no precise metric to determine the exact range of equivalents within that spectrum. *See* maj. op. at 25a. This concern regarding the public's ability to know what is and what is not within the confines of a patent monopoly is not a new one.

The dissents in *Winans v. Denmead*[17], 56 U.S. (15 How.) 330, (1853), and *Graver Tank*[18] strongly disagreed with their respective majority's liberal view towards infringement by equivalence, feeling that to interpret the language of the

---

[17] "The patentee is obliged, by law, to ... particularly 'specify and point' out what he claims as his invention. Fullness [sic], clearness, exactness, preciseness, and particularity, in the description of the invention, its principle, and of the matter claimed to be invented, will alone fulfill [sic] the demands of Congress or the wants of the country. Nothing, in the administration of this law, will be more mischievous, more productive of oppressive and costly litigation, of exorbitant and unjust pretensions and vexatious [sic] demands, more injurious to labor, than a relaxation of these wise and salutary requisitions of the act of Congress." *Winans,* 56 U.S. at 347 (Campbell, J., dissenting).

[18] "The Court's ruling today sets the stage for more patent 'fraud' and 'piracy' against business than could be expected from faithful observance of the congressionally enacted plan to protect business against judicial expansion of precise patent claims. Hereafter a manufacturer cannot rely on what the language of a patent claims. He must be able, at the peril of heavy infringement damages, to forecast how far a court relatively unversed in a particular technological field will expand the claim's language after considering the testimony of technical experts in that field. To burden business enterprise on the assumption that men possess such a prescience bodes ill for the kind of competitive economy that is our professed goal." *Graver Tank,* 339 U.S. at 617 (Black, J., dissenting).

patent to include equivalents would undermine the claiming system and destroy the public's ability to rely on the patent claiming system to mark the boundaries granted to the patentee. *See* Craane, *supra,* at 134-35. However, it is noteworthy that the forebodings expressed in the *Winans* and *Graver Tank* dissents regarding the impediment to economic growth have not been realized. Competition still abounds in the marketplace and technology has progressed at a remarkable rate.

Subject Matter Surrendered

Our prior precedent instructs that "amendments may be of different types and may serve different functions. Depending on the nature and purpose of an amendment, it may have a limiting effect within a spectrum ranging from great to small to zero. The effect may or may not be fatal to application of a range of equivalents broad enough to encompass a particular accused product. It is not fatal to application of the doctrine itself." *Hughes,* 717 F.2d at 1363. For at least the past seventeen years, beginning with our seminal case in *Hughes,* we have consistently held that prosecution history estoppel bars infringement by equivalents by reason of the patentee's manifest intent to disavow or abandon a construction of the patent claim as a condition of the patent grant. *See Bayer,* 738 F.2d at 1243, 222 U.S.P.Q. at 653; *Loctite,* 781 F.2d at 871, 228 U.S.P.Q. at 96; *Sun Studs, Inc. v. ATA Equip. Leasing, Inc.,* 872 F.2d 978, 987, 10 U.S.P.Q.2d 1338, 1345 (Fed. Cir. 1989); *Mark I Mktg. Corp. v. R.R. Donnelley & Sons Co.,* 66 F.3d 285, 291, 36 U.S.P.Q.2d 1095, 1100 (Fed. Cir. 1995); *Sextant Avionique, S.A. v. Analog Devices,* 172 F.3d 817, 830-32, 49 U.S.P.Q.2d 1865, 1870-72 (Fed. Cir. 1999). Moreover, we have instructed that the intended construction that has been disavowed is to be determined from an objective evaluation of the exchange between the examiner and the patentee that

occurred in the prosecution history, whether explicit or implicit.

I agree that the extent to which the patentee would be deprived of equivalents according to our past precedent necessarily involves the often arduous task of reviewing difficult and complex prosecution histories, as well as difficult and complex technologies. I also agree that these difficulties may give rise to differing opinions as to what subject matter is within the scope of the claim and what has been surrendered. However, the mere fact that this court's new rule is a brighter line for determining whether a patentee is estopped from asserting infringement by equivalents, cannot be justification for adopting a rule that so substantially changes the rules of the game and discounts the intrinsic worth in treating more fairly the individual inventor whose patent right is under administrative scrutiny and is subject to the inherent limitations of language. The Supreme Court in *Warner-Jenkinson* saw no "substantial cause for requiring a more rigid rule invoking an estoppel [as a complete bar with no flexibility] regardless of the reason for a change." *Warner-Jenkinson,* 520 U.S. at 32. Likewise, I find that the majority's opinion lacks substantial cause for its rigid rule.

The majority contends that the approach followed by our court in *Kinzenbaw v. Deere & Co.,* 741 F.2d 383, 222 U.S.P.Q. 929 (Fed. Cir. 1984), is different than the flexible bar approach espoused in *Hughes* and its progeny. I disagree. In *Kinzenbaw* our court examined the prosecution record and noted that whether or not the patentee needed to specify the radius of the gauge wheel to overcome the rejection of the claims over specified prior art, he did in fact do just that. *Kinzenbaw,* 741 F.2d at 388, 222 U.S.P.Q. at 932-33. After our analysis of the prosecution record, the court also noted that a reasonable competitor would believe that the patentee

had surrendered the relevant subject matter in view of the file which "explicitly showed that in response to the examiner's rejection, [the inventor] narrowed his claims to a planter in which 'the radius of the wheel . . . [is] less than the radius of the disc.'" *Id.* In other words, this court's position was that when the prosecution record is viewed objectively, the patentee manifested an intention to disavow anything but the relationship of the radius of the gauge wheel to the radius of the discs to obtain his patent from the Patent Office, even though it might not have been necessary.

The foregoing does not evince a split in our precedent, but rather comports with *Hughes* that courts must undertake an examination of the prosecution record to determine the subject matter the patentee disavowed by amendment, whether or not the patentee contends the amendment was necessary to obtaining the patent. As this court has stated: "[u]nmistakable assertions made by the applicant to the . . . PTO . . . in support of patentability, whether or not required to secure allowance of the claim, . . . may operate to preclude the patentee from asserting equivalency . . .." *Texas Instruments Inc. v. United States Int'l Trade Comm'n,* 988 F.2d 1165, 1174, 26 U.S.P.Q.2d 1018, 1025 (Fed. Cir. 1993). The patentee's subjective determination of whether or not an amendment would have been needed to secure allowance of a claim is irrelevant. If an unmistakable assertion was made by the applicant to the Patent Office to obtain allowance of the patent, as viewed from the objective standpoint of a reasonable competitor, then the scope of prosecution history estoppel is zero. *Kinzenbaw* is a case that emphasizes that a patentee cannot take one position before the Patent Office to get his claim allowed, whether that position was necessary or not, and then assert a different position in court to prove infringement.

As explained above, I believe it is fair to conclude that

the Supreme Court in *Warner-Jenkinson* left intact the principle of determining that which the patentee surrendered by looking at the exchange between the examiner and the patentee recorded in the prosecution history. Some amendments may be made for a statutory reason, such as providing proper antecedent basis, which is required by 35 U.S.C. § 112, second paragraph's requirement that the applicant particularly point out and distinctly claim that which is regarded as the invention. However, while such an amendment affects issuance of the patent, it is a trivial matter. Restricting such an amended claim limitation to its literal scope would unfairly penalize patent owners beyond what is necessary to provide notice and certainty to competitors. As long as the reason for an amendment is explained, and a competitor can reasonably determine what subject matter the applicant surrendered, prosecution history estoppel should preclude the patent holder from recapturing only the surrendered subject matter, not from accessing the doctrine of equivalents entirely. In my view, the flexible approach best balances fairness to inventors with certainty to competitors and strikes an appropriate accord between the required rewards for the already expensive and lengthy process of innovation, and the extra public costs of monopoly profits. *See* Otterstedt, *supra,* at 424.

CONCLUSION

Because claims are commonly amended during prosecution, prosecution history estoppel touches almost every doctrine of equivalents infringement analysis. *See Loctite,* 781 F.2d at 871, 228 U.S.P.Q. at 96. Although a complete bar would provide bright line enhancement of the notice function of claims, it unfairly subjects almost every patentee to the mercy of verbalism at an early stage of development. *See Graver Tank,* 339 U.S. at 607. Rather than promote technological growth, the majority's new rigid rule

will effect a serious invasion of the patentee's security of receiving the full benefit of his invention and is likely to be a disincentive to early disclosure of new inventions and discoveries. I see no substantial cause for the majority's drastic action, and I must, respectfully, dissent from the pronouncement that any time a claim limitation is narrowed by amendment for any statutory purpose, regardless of the nature and extent of the change, prosecution history estoppel completely bars the application of the doctrine of equivalents.

PAULINE NEWMAN, Circuit Judge, concurring in part, dissenting in part.

This appeal returns to the Federal Circuit on GVR from the Supreme Court,[19] with instructions to reconsider our prior decision in accordance with the law announced in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 41 U.S.P.Q.2d 1865 (1997). Two major issues are presented for our review on remand: (1) application of the Court's new rebuttable presumption and any ensuing estoppel to the claims of Festo's Carroll and Stoll patents; and (2) application of the all-elements rule to the sealing rings of the Carroll and Stoll patents and the magnetizable sleeve of the Stoll patent.

For the first remand issue, today's majority opinion departs from the holdings of *Warner-Jenkinson* in three important ways. First, the majority holds that all equivalency

---

[19] *Shoketsu Kinzoku K. K., Ltd. v. Festo Corp.*, 520 U.S. 1111 (1997). The sequence of events called "GVR" (grant, vacate, and remand) occurs when "intervening developments . . . reveal a reasonable probability that the decision below rests on a premise that the lower court would reject if given the opportunity for further consideration." *Lawrence v. Chater*, 516 U.S. 163, 167 (1996). It is a mandate to the lower courts to apply the intervening developments to the case on appeal, "to ensure the fairness and accuracy of judicial outcomes." *Id.*

is barred as to any claim element that is narrowed or added for reasons relating to patentability; access to the doctrine of equivalents is barred whether or not the Court's new rebuttable presumption arises and whether or not it is rebutted. Second, the majority denies consideration to any rebuttal evidence that is not already in the prosecution record, thereby converting the rebuttable presumption into an irrebuttable fiat. Third, the majority's inappropriately broad definition of "reasons related to patentability" further limits a patentee's access to equivalency, and exacerbates the conflict with the holdings of *Warner-Jenkinson.* The result is to negate infringement by equivalents, as a matter of law, thereby providing a blueprint for ready imitation of patented products.

The majority does not reach the second remand issue, the application of the all-elements rule. However, the all-elements rule is central to the Supreme Court's treatment of the tension between the doctrine of equivalents and the "notice function" of patent claims. Although my colleagues in the majority identify the "notice function" as the reason for their new and extreme restraints on the doctrine of equivalents, the majority opinion neither discusses nor acknowledges the Court's considered actions to reinforce the notice function.

Thus the majority ignores the bases of the GVR which returned this case to us, and instead manipulates the issues of equivalency and estoppel to achieve a policy-driven result. In acting to severely limit the doctrine of equivalents, this court has made a deliberate change in the relationship between innovator and competitor. Although the Supreme Court rejected judicial entry into this policy arena, the majority has entered headlong, criticizing 150 years of Supreme Court precedent and 18 years of Federal Circuit precedent as "unworkable." This spontaneous judicial action represents a

venture into industrial policy whose consequences have been inadequately considered. The majority's announced purpose of facilitating competition by restricting patentees' access to the doctrine of equivalents has not been evaluated for its effect on the nation's technology-based industry, for its effect on the system of patents as an innovation incentive, or indeed for its effect on competition. The interdependent policy aspects of technologic innovation, industrial growth, and competition were not briefed, and do not inhere in this court's "special expertise" in adjudication of patent disputes.

I

CONFLICTS WITH THE LAW OF WARNER-JENKINSON

Prosecution History Estoppel

The Court in *Warner-Jenkinson* confirmed its precedent that estoppel flows from a patent applicant's disclaimer or surrender of subject matter for reasons of patentability; precedent has never held that no equivalency whatsoever is available to amended claim elements. The majority's departures from this law are summarized in its rulings that "an amendment that narrows the scope of a claim for any reason related to the statutory requirements for a patent will give rise to prosecution history estoppel with respect to the amended claim element," maj. op. at 4a, that "no range of equivalents is available for the amended claim element," *id.*, and that amendments made to comply with virtually any provision of the Patent Act will raise this estoppel, *id.* at 9a-10a. These rulings contravene the Court's holdings in *Warner-Jenkinson.*

In *Warner-Jenkinson* the Court summarily dismissed the argument that "any surrender of subject matter during patent prosecution, regardless of the reason for such surrender,

precludes recapturing any part of that subject matter, even if it is equivalent to the matter expressly claimed." *Warner-Jenkinson,* 520 U.S. at 30, 41 U.S.P.Q.2d at 1871. The Court held that the patentee Hilton Davis, upon establishing the reason why the applicant amended the claims to include a lower pH limit of "approximately 6.0," may be entitled to prove equivalency between a pH of 5.0 and approximately 6.0 in the process of that invention. Observing that it was unclear why the pH limit of 6.0 had been added to the claims, the Court ruled that inclusion of this limitation did not necessarily preclude a finding of infringement based on equivalency:

> [W]hile a lower limit of 6.0, by its mere inclusion, became a material element of the claim, that did not necessarily preclude the application of the doctrine of equivalents as to that element.

Id. at 32, 41 U.S.P.Q.2d at 1872. The majority's new rules would bar the inquiry for which the Court remanded *Warner-Jenkinson* to the Federal Circuit. The Court in *Warner-Jenkinson* reaffirmed its precedent wherein the patentee is estopped from reaching, through equivalency, subject matter that the applicant had disclaimed or surrendered in order to obtain the patent. *See, e.g., Exhibit Supply Co. v. Ace Patents Corp.,* 315 U.S. 126, 136-137 (1942) (the patentee had "surrendered by amendment," "proclaimed his abandonment of" and "disclaimed" the subject matter that was used by the accused infringer); *Smith v. Magic City Kennel Club, Inc.,* 282 U.S. 784, 790 (1931) (describing an amendment made after persistent examiner's rejection as a "disclaimer"); *Weber Electric Co. v. E.H. Freeman Electric Co.,* 256 U.S. 668, 676 (1921) ("it is clear that the chief concern of the applicant [after rejection] was to distinguish his construction from that of Kenny, which is very similar to [that of the accused infringer]"). These cases, although mentioned in the

majority opinion, do not support the majority's new rules, for in no case did the Court find an estoppel as to subject matter that was not surrendered in order to obtain the patent and that was not embraced in the difference between the prior art and the applicant's invention.

The majority recasts prosecution history estoppel in a legally incorrect and equitably unjust manner. As illustrated by the Carroll and Stoll patents in suit, equivalents are now held forfeited whether or not the claimed element itself was amended, or even discussed, during prosecution. In contrast, the Court has consistently held that the law of estoppel requires determination of what was surrendered and why, measured by the representations made by the applicant in order to obtain the patent. Precedent as to prosecution history estoppel is strikingly uniform in not only the judicial statement of the law, but in its application. There has been no groundswell of concern for unpredictable judicial application of the rules of estoppel, even by those who have expressed concern for unpredictable application by juries of the rules of equivalency. Today's actions imposing an absolute estoppel against equivalency—instead of sharpening the criteria for determining equivalency (as the Court instructed)—make manifest the magnitude of the majority's change in the law.

The Rebuttable Presumption

As part of its reinforcement of the notice function of claims, the Court established a new rebuttable presumption. In accordance with this presumption, when the prosecution record is silent as to the reason for a change to the claims, the presumption arises that the change was made for "a substantial reason related to patentability." *Warner-Jenkinson,* 520 U.S. at 33, 41 U.S.P.Q.2d at 1873. This new presumption and ensuing estoppel are carefully designed controls that require consideration of the "reasoning behind

the Patent Office's insistence upon a change in the claims." *Id.* at 32, 41 U.S.P.Q.2d at 1872. The Court recognized that estoppel does not arise from every change, but depends on whether the change was made for patentability reasons:

> Where the reason for the change was not related to avoiding the prior art, the change may introduce a new element, but it does not necessarily preclude infringement by equivalents of that element.

Id. The patentee may then come forward with evidence to rebut the presumption. *Id.* at 33, 41 U.S.P.Q.2d at 1873.

The majority holds that the presumption can only be rebutted by evidence that is already present in the prosecution record. Maj. op. at 47a ("a patent holder seeking to establish the reason for an amendment must base his arguments solely upon the public record of the patent's prosecution, *i.e.,* the patent's prosecution history"). Thus the majority holds that the rebuttable presumption concerning the reason for an amendment, which presumption arises when the prosecution record is silent as to the reason for the amendment, can not be rebutted with evidence outside of the prosecution record. The rebuttable presumption thereby becomes irrebuttable, because the prosecution record is necessarily silent in order for the presumption to arise at all. This impossibility of rebuttal was surely not contemplated by the Court in creating "[t]he presumption we have described, one subject to rebuttal if an appropriate reason for a required amendment is established . . .." *Warner-Jenkinson,* 520 U.S. at 33, 41 U.S.P.Q.2d at 1873.

The nature of a presumption is that it is not sacrosanct on the grounds on which it arose, but can be countered by evidence. *See* Fed. R. Evid. 301 ("a presumption imposes on the party against whom it is directed the burden of going

forward with evidence to rebut or meet the presumption"). A presumption is a procedural expedient whereby a conclusion of law or ultimate fact is deemed established upon the proof of certain evidentiary or historical facts. An opposing party may rebut the presumption by coming forward with evidence sufficient to negate the conclusion or its factual premises. *See generally* 21 Charles Alan Wright & Arthur R. Miller, *Federal Practice and Procedure* § 5124 (3d ed.1998). The majority's ruling confuses the grounds on which a presumption arises with the grounds on which it is subject to rebuttal. The role of the prosecution record is to establish whether the presumption arises at all, not whether it has been rebutted.

That the majority's ruling makes rebuttal impossible is illustrated by the patents in suit. Since Festo's explanation of its amendment to the Carroll claims is now limited to the prosecution record, the presumption can not be rebutted because the prosecution record is silent as to the reason for the amendment. Indeed, since there is no requirement that a patent applicant explain amendments made before an examiner's rejection on the merits—the situation for both the Carroll and Stoll patents—evidence explaining such amendments is not normally present in the prosecution record.

The Supreme Court was explicit that "The presumption we have described [is] subject to rebuttal . . .." 520 U.S. at 33, 41 U.S.P.Q.2d at 1873. The majority's denial of rebuttal evidence outside the prosecution record is equally explicit, with the consequence that the subject matter of unexplained amendments can receive "no range of equivalents." Maj. op. at 12a-13a. The error in this implementation is made clear in the *Warner-Jenkinson* case itself. In *Warner-Jenkinson* the Court observed that "the record seems not to reveal the reason" for the amendment setting the lower pH limit, that

the patentee has the burden of establishing the reason, and that "respondent has not proffered in this Court a reason for the addition of a lower pH limit." The Court therefore remanded to the Federal Circuit for determination of whether the patentee could establish a reason for this amendment. Under the regime established by the majority opinion, the Court's remand would be pointless. The Court similarly remanded the *Festo* case now before us. Our obligation is to implement the remand in accordance with its terms, and to determine whether Festo can rebut the presumption that the claims were changed for a reason related to patentability.

"Reasons Related to Patentability"

In *Warner-Jenkinson* the Court explained that amendments made for "a substantial reason related to patentability" means amendments made to establish patentability in view of substantive rejections. The Court observed that there are "a variety of other reasons why the PTO may request a change in claim language" without producing an estoppel, 520 U.S. at 31, 41 U.S.P.Q.2d at 1872, citing the *amicus curiae* brief of the United States. The United States had pointed out that amendments "to reflect the scope of what was enabled or to add specificity raise considerations different from those raised by amendments to avoid prior art." Brief for United States as *Amicus Curiae* at 22-23, 1996 WL 172221, *22-*23. The Court endorsed this understanding of estoppel, explaining:

> Our prior cases have consistently applied prosecution history estoppel only where claims have been amended for a limited set of reasons, and we see no substantial cause for requiring a more rigid rule invoking an estoppel regardless of the reasons for a change.

520 U.S. at 32, 41 U.S.P.Q.2d at 1872.

The Court's emphasis on a "limited set of reasons" is in striking contrast to the unconstrained estoppel established by the majority for any change made in connection with any provision of the Patent Act. In *Warner-Jenkinson* the Court unequivocally rejected this position, stating that the petitioner "reaches too far in arguing that the reason for an amendment during patent prosecution is irrelevant to any subsequent estoppel." 520 U.S. at 30, 41 U.S.P.Q.2d at 1867. The Court stated: "That petitioner's rule might provide a brighter line for determining whether a patentee is estopped under certain circumstances is not a sufficient reason for adopting such a rule." *Id.* at 32 n. 6, 41 U.S.P.Q.2d at 1872 n. 6. The majority now adopts this rejected position.

Supreme Court and Federal Circuit precedent have well recognized that prosecution history estoppel flows from amendments on substantive grounds of patentability. The principal statutory provisions involved during examination for patentability are 35 U.S.C. § 102 and § 103; parts of § 112 may also give rise to estoppel. However, not every rejection based on the Patent Act is concerned with substantive grounds of patentability, as the Court also recognized. An illustration is the Stoll claims, which were rejected not on prior art but as being in improper multiple dependent form, another provision of § 112; Stoll's claims amended in response to this ground of rejection are today held barred from access to the doctrine of equivalents.

The majority discards as "unworkable," maj. op. at 25a, the vast body of precedent which holds that determination of the extent of estoppel requires consideration of the reason for the amendment. *See, e.g., Bayer Aktiengesellschaft v. Duphar Int'l Research B.V.*, 738 F.2d 1237, 222 U.S.P.Q. 649 (1984) (cited in *Warner-Jenkinson)* ("Whenever the

doctrine of file history estoppel is invoked, a close examination must be made as to, not only what was surrendered, but also the reason for such a surrender.") Instead, the majority adopts the brighter line that the Court rejected. Thus although I concur with the majority's answer to Question 1 in that precedent holds that estoppel may arise on substantive grounds of patentability in addition to those of § 102 and § 103, I do not share the majority's application of this answer to include any amendment responding to a rejection under any provision of the Patent Act.

Federal Circuit Precedent

The majority seeks to buttress its departure from the law of *Warner-Jenkinson* by stating that it is simply resolving "conflicting lines" of Federal Circuit precedent. However, that is neither an accurate description of our precedent, nor an adequate reason to discard it.

Federal Circuit decisions applying the doctrine of equivalents have turned not on "conflicting lines" of precedent, but on the facts of each case. This precedent illustrates the variety of situations that can arise as to the technologic facts of asserted equivalency, as well as the variety of circumstances of estoppel. At one factual pole are cases that illustrate a patentee's disclaimer, during prosecution, of precisely what the accused infringer is doing. Such cases tend to inspire righteous judicial rhetoric against over-reaching patentees; these opinions voice what the majority terms a "strict" approach to the doctrine of equivalents. At the other factual pole are cases that the majority classifies as the "flexible" approach, the majority's disapproving term for those decisions where liability based on equivalency was found.

This jurisprudence reflects not two disparate lines of

conflicting authority, but rulings of estoppel and findings of equivalency vel non in a continuum of situations, from those that clearly warranted liability to those that clearly did not. It is inappropriate to convert the extremes of this continuum into "conflicting lines," and then to use this contrived conflict to justify changing the law to eliminate not only both lines but also everything in- between.

The principal case cited for the majority's "strict line" is *Kinzenbaw v. Deere & Co.*, 741 F.2d 383, 222 U.S.P.Q. 929 (Fed. Cir. 1984). In *Kinzenbaw* the accused device "adopted the very element that [the patentee] had eliminated for the stated purpose of avoiding the examiner's rejection and obtaining the patent." *Id.* at 389, 222 U.S.P.Q. at 933. Holding that the patentee was estopped from asserting equivalency, the Federal Circuit stated that it would not undertake to decide whether Kinzenbaw gave up more than he had to in order to obtain allowance. *Kinzenbaw* has not heretofore been viewed as producing an irreconcilable conflict in precedent. As it was contemporaneously explained, *Kinzenbaw* "highlight[s] that application of prosecution history estoppel to limit the doctrine of equivalents should be performed as a legal matter on a case-by-case basis, guided by equitable and public policy principles underlying the doctrines involved and by the facts of the particular case." *Loctite Corp. v. Ultraseal Ltd.*, 781 F.2d 861, 871 n. 7, 228 U.S.P.Q. 90, 96 n. 7 (Fed. Cir. 1985).

The majority flags *Hughes Aircraft Co. v. United States*, 717 F.2d 1351, 219 U.S.P.Q. 473 (Fed. Cir. 1983), as the pole of the disapproved "flexible line." In *Hughes Aircraft* this court reiterated the rule that a patentee is estopped to recover through equivalency the scope that was disclaimed for reasons of patentability. *Id.* at 1362, 219 U.S.P.Q. at 481. The ruling of equivalency on the facts of *Hughes Aircraft*, an issue of later-developed technology, has repeatedly been

sustained. *See Hughes Aircraft v. United States,* 140 F.3d 1470, 46 U.S.P.Q.2d 1285 (Fed. Cir. 1998) (redetermination of equivalency upon the GVR, 520 U.S.1111, based on *Warner-Jenkinson).*

Although the questions presented in precedent were often close, and not every judge was always of identical view, not even the "strict line" attributed to *Kinzenbaw* represents the extreme position now adopted. In *Warner-Jenkinson* the Court rejected the position that any surrender of subject matter establishes "bright lines beyond which no equivalents may be claimed." 520 U.S. at 30, 41 U.S.P.Q.2d at 1871. The law of *Warner-Jenkinson* bars the position now taken.

The "Notice Function" of Claims

The Supreme Court, reviewing its precedent on equivalency since *Winans v. Denmead,* 56 U.S. (15 How.) 330 (1854), recognized the long-standing tension between equivalency and the "notice function" of patent claims. The Court acted to reinforce the "notice function" by imposing a new combination of criteria for equivalency, comprising (1) the new rebuttable presumption for unexplained amendments, (2) the all-elements rule, and (3) the obligation to examine "the role played by each element in the context of the specific patent claim." *Warner-Jenkinson,* 520 U.S. at 40, 41 U.S.P.Q.2d at 1875.

Discussing the rebuttable presumption, the Court stated that "The presumption we have described . . . gives proper deference to the role of claims in defining an invention and providing public notice . . .." *Id.* at 33-34, 41 U.S.P.Q.2d at 1873. The Court also explained that the all-elements rule secures the "central functions of the patent claims themselves," *id.* at 30, 41 U.S.P.Q.2d at 1871, while prosecution history estoppel, reinforced by the new

rebuttable presumption, "further insulates the doctrine from any feared conflict with the Patent Act." *Id.* at 34, 41 U.S.P.Q.2d at 1873. The Court also mentioned factors such as known interchangeability and other criteria relevant to the determination of equivalency.

The notice function of claims was thereby enhanced, for there can be no liability for infringement, even by a clear technologic equivalent, unless every claimed element of the patented device is appropriated and used, in the same role as in the claim, without encountering estoppel. A device that does not meet all of these legal and factual criteria does not incur liability despite technologic equivalency. However, a device that is unable to omit or substantially change even one claimed element, and that is not released by the prosecution history, has notice of probable liability for infringement.

Thus the Court acted to preserve the purpose of the doctrine of equivalents to prevent "fraud on the patent," while taking specific steps to reinforce the notice function of patent claims. The majority opinion remains silent on this important action to sharpen application of the doctrine of equivalents while preserving the principle of its availability. Instead, the majority relies on its "experience" as justification for its changes of law, but makes no mention of the Court's careful balance of controls, or explain why it is inadequate. *See* maj. op. at 24a-25a ("Our decision to reject the flexible bar approach adopted in *Hughes I* comes after nearly twenty years of experience in performing our role as the sole court of appeals for patent matters.") We should use that experience to refine the criteria of equivalency, as the Court expected, instead of eliminating it entirely, a ruling that bars remedy to the deserving and undeserving alike.

In the complex of risk-laden concerns and uncertainties

involving inventions, entrepreneurship, and competition, the doctrine of equivalents weighs on the side of the patentee, for it provides the possibility of protection against close copies which merely skirt the patent's claims. In this way it adds weight to the patent system as an innovation incentive. The majority of this court apparently views the existing balance between inventor and imitator as disadvantageous to the nation, for the court now sets as "paramount" the "notice function" to the would-be competitor. However, the optimum balance between innovator and imitator in a technology-dependent economy involves many considerations in addition to the primacy of notice.

II
THE PATENTS IN SUIT

Applying the pre-*Warner-Jenkinson* law of equivalency, the district court adjudged both the Carroll and Stoll patents to be infringed, the Carroll patent on summary judgment and the Stoll patent by jury verdict. On the prior law, and again on the law of *Warner-Jenkinson,* those judgments were twice affirmed on appeal. Today the merits are not reached, simply because the claims of both patents were rewritten in narrower form before they were examined. For the Carroll patent, Festo added an element to the claims before reexamination. For the Stoll patent, Festo rewrote improper multiple dependent claims, dropping the broader claim. In neither the Carroll nor the Stoll patent were the elements at issue amended; however, in both patents estoppel is now held to be complete, barring any assertion of equivalency as to these elements.

The Carroll Patent

Festo requested reexamination of the Carroll patent in light of German Patent No. 1,982,379, which had not been

included in the original examination. After the reexamination request was granted but before reexamination on the merits, Festo cancelled original claim 1 and added a new claim which differed from the original claim in several ways including the addition of "a pair of resilient sealing rings." Festo did not explain these changes; nor was explanation required, for the changes were made before action by the examiner.

The majority holds that the presumption arises that the sealing rings were added to the claim for reasons of patentability, for the prosecution record does not state why this amendment was made. However, the majority limits the rebuttal evidence to the prosecution record that produced the presumption. *See* maj. op. at 47a ("We therefore hold that a narrowing amendment will give rise to prosecution history estoppel unless the prosecution history of the patent reveals that the amendment was made for a purpose unrelated to patentability concerns.") Since the prosecution history is silent as to the reason for the amendment, Festo is held unable to rebut the presumption.

Festo points out on this appeal that sealing rings were described in the cited German patent, and thus that this element did not impart a distinction from the prior art. Festo's argument during reexamination related to other components of the device:

> [The cited references] do not disclose the overall structure of the device for moving articles set forth in the claim, and in particular do not disclose 1) a *plurality* of cylindrically-shaped permanent magnets mounted on a central mounting member and *spaced axially apart from each other* . . . 2) an exterior body including a *plurality* of annularly shaped permanent magnets *spaced apart from each other*

> and 3) *a pair of cushion members formed of resilient material* . . .. [Emphases in original]

The examiner mentioned several components of the combination in the "Reasons for Allowance," but not the sealing rings:

> Claims 3, 4, 5, 6, and 9 are deemed allowable over the prior art of record, including German Patent No. 1,982,379 because the prior art does not teach or render obvious the claimed combination which includes the plurality of magnets, end members, and cushion members in the claimed relationship.

The sealing rings raise the only issue with respect to infringement under the doctrine of equivalents; all of the other claim elements were conceded to be literally present in the SMC devices.

The sealing rings were not amended during prosecution. No argument by the applicant was directed to the sealing rings, and no issue of patentability concerning the sealing rings was raised by the examiner. Nonetheless, the majority holds that it suffices as a "narrowing amendment" that the claim as a whole was narrowed when the sealing rings were added before examination. Applying the majority's new rule that any narrowing amendment entirely bars access to equivalency, the factual question of equivalency between the claimed pair of sealing rings and the SMC two-way sealing ring is not reached.[20] Thus the majority holds that the addition of the sealing rings to the Carroll claims before examination, without more, immunizes the SMC devices from the charge of infringement under the doctrine of

---

[20] In the district court the issue of equivalency of the sealing rings was based on the all-elements rule, a question that is mooted by the majority's ruling that equivalency can not be asserted at all.

equivalents.

The Stoll Patent

The Stoll patent application was filed in the United States as the English translation of a prior German patent application. In the first action in the United States, the examiner rejected the application under 35 U.S.C. § 112 ¶ 1, stating: "Exact method of operation unclear. Is device a true motor or magnetic clutch?" The examiner also objected to claims 4-12, which apparently were filed in the same form as in the foreign priority application, as being in improper multiple dependent form, citing 35 U.S.C. § 112 ¶ 2 [sic: ¶ 5?]. The examiner also listed three references as "believed pertinent"; the references were not discussed and no rejection was made on prior art.

In response, Stoll explained the method of operation and amended the specification accordingly. Stoll also rewrote the claims, eliminating the improper multiple dependent form. Stoll cancelled original claim 1 and filed a new independent claim that included the subject matter of original dependent claims 4 and 8. From claim 4 Stoll took "first sealing rings located axially outside said guide rings," and from claim 8 Stoll took "a cylindrical sleeve made of a magnetizable material and encircles said tube." Thus in the new claim these elements were more narrowly claimed than in original claim 1, although not more narrowly than in original dependent claims 4 and 8. The record states no reason for these changes.

Stoll also submitted two German patents that had been cited during examination of the corresponding German application, with the following explanation:

> Applicant wishes to make of record German Offenlegungsschrift No. 27 37 924 and German

> Gebrauchsmuster No. 19 82 379. These references were cited in the first Office Action received in the corresponding German application. These references are obviously clearly distinguishable over the subject matter of the claims now present in this application. Accordingly, further comment about the subject matter of these references is believed unnecessary. It is clear that neither of these references discloses the use of structure preventing the interference of impurities located inside the tube and on the outside of the tube while the arrangement is moved along the tube.

The majority finds that the above reference to "structure preventing the interference of impurities" relates to the sealing rings; nonetheless, the majority also rules that all access to equivalency is barred because the broadest claim was "narrowed" by amendment, although the scope of the elements as stated in the original dependent claims was not at issue. Disposing of Festo's argument that the prosecution history shows that the claims were rewritten in response to the rejection for improper multiple dependent form, the majority holds that "Because a claim will not issue unless it satisfies the requirements of section 112, an amendment made to satisfy the statute is an amendment made for a reason related to patentability." Maj. op. at 52a. Thus this amendment is held to bar access to the doctrine of equivalents because the rejection was based on a statutory formal requirement.

The court does not reach the questions of identity of function, way, and result, or the insubstantiality of the change, or interchangeability in the context of the invention. The formulaic framework of the majority opinion thus vitiates the doctrine of equivalents, without respect to the merits of any particular claim.

The Retroactive Effect

It has been routine practice for patent solicitors to initially present broad claims to an invention, in the expectation of honing the claims in interaction with the examiner. As very few patent applications traverse the PTO without amendment or argument,[21] few issued patents will be free of the consequences of these changes in the law, for the majority has declined to act on the warnings against derogation of vested rights and expectancies, and has declined to make this decision applicable only prospectively. *See Warner-Jenkinson,* 520 U.S. at 41-2, 41 U.S.P.Q.2d at 1876 (Ginsburg, J., concurring).

In addition, a profound inequity is now created between those patents that may fortuitously have managed to avoid amendment or argument as to all elements subject to imitation by insubstantial change, and those that have not. The practical significance has not been explored in the majority opinion, and indeed this aspect was not briefed or argued.

III
INNOVATION AND COMPETITION POLICY

Although various policy arguments were briefed to the Court in the *Warner-Jenkinson* appeal, the Court declined to enter the policy arena:

---

[21] Patent examination practice requires the examiner to cite the closest references found in a search of the prior art. *See* Manual of Patent Examining Procedure § 706. The applicant then must respond and explain why the invention is patentable over the references, and may amend, add, cancel, and rewrite claims. MPEP § 714.02. Informal inquiry reports that for simple inventions, at most 10-15% of patents are granted without claim amendment, although very rarely without argument. For complex inventions the percentage of unamended applications is vanishingly small.

> The lengthy history of the doctrine of equivalents strongly supports adherence to our refusal in *Graver Tank* to find that the Patent Act conflicts with that doctrine. Congress can legislate the doctrine of equivalents out of existence any time it chooses. The various policy arguments now made by both sides are thus best addressed to Congress, not this Court.

520 U.S. at 28, 41 U.S.P.Q.2d at 1871. The majority disregards this admonition and, despite the absence of development of policy issues on this appeal, legislates a new balance between inventor and imitator. The optimum balance is critical to the nation's economy.

The modern industrial economy is driven by technologic innovation. It has long been understood that technological advance and industrial vigor flow from legal and economic policies that encourage invention and support investment in the products of invention. The extensive scholarship in this area is founded on the classical studies of Joseph A. Schumpeter, *Capitalism, Socialism and Democracy,* Harper, New York (3d ed.1950) (recognizing the economic impact of patent-based innovation as new industries and new goods displace the old), and has been broadly explored, *e.g.,* Kenneth J. Arrow, *Economic Welfare and the Allocation of Resources for Invention* (1962) (discussing intellectual property rights in a free enterprise economy); Robert Solow, *Technical Change and the Aggregate Production Function,* 39 Rev. Econ. & Stat. 312 (1957).

The encouragement of invention and investment in new ideas and their embodiments is a primary function of patent systems, aimed at the national purpose of development of new industries, improved productivity, increased employment, and overall economic growth as well as

technologic advance. There is burgeoning modern scholarship directed to studies of invention, investment, and patent systems, generally building on the work of William D. Nordhaus, *Invention, Growth, and Welfare: A Theoretical Treatment of Technological Change,* M.I.T. Press, Cambridge (1969), and other scholars such as Kenneth M. Dam, *The Economic Underpinnings of Patent Law,* 23 J. Leg. Studies 247 (1994); David Silverstein, *Patents, Science and Innovation: Historical Linkages and Implications for Global Technological Competitiveness,* 17 Rutgers Computer & Tech. L.J. 261 (1991); and Friedrich-Karl Beier, *The Significance of the Patent System for Technical, Economic and Social Progress,* 11 Int'l Rev. Indus. Prop. & Copyright L. 563 (1980). Critical attention has been given to aspects such as the nature of the technology, the rate of technologic change in the particular field, the maturity of the field, the cost of invention and development for various technologies, market risks and competitive structures, the ease and cost of imitation, and the choice between disclosure in patents and maintaining the technology in secrecy. International patenting and trade aspects have been explored, as well as the cost of patenting and the cost of enforcement. *E.g.,* Nancy T. Gallini, *Patent Policy and Costly Imitation,* 32 RAND J. Econs. 56 (1992) (discussing factors such as licensing policy and technological difficulties); Richard J. Gilbert & David M.G. Newberry, *Preemptive Patenting and the Persistence of Monopoly,* 72 Am. Econ. Rev. 514, 519, 522 (1982) (industry-specific conditions such as the existence of patentable substitutes and cross-licensing, as well as costs of litigation, affect strategic behavior).

The field of innovation study has evolved to include such complexities as "sequential" innovation, wherein one invention follows from the disclosure of another, *e.g.,* Jerry R. Green and Suzanne Scotchmer, *On the Division of Profit in Sequential Innovation,* 26 RAND J. Econs. 20 (1995)

(pointing out that patent length and breadth play a different role when innovation is sequential); G.M. Grossman and E. Helpman, *Quality Ladders in the Theory of Growth,* 58 Rev. Econ. Stud. 43 (1991) (discussing how investment in sequential innovation drives economic growth).

It is well recognized that all of these aspects have varying weights, and that the circumstances surrounding the development and utilization of intellectual property are extremely diverse. Indeed, commentators complain that a single patent policy and patent law are unsuited to the range of scientific and commercial activity in today's economy.

Thus scholarship is providing rigor to understanding the role of intellectual property in innovation/competition policy, even as the limitations of economic models of invention, risk, and investment are recognized. Scholars writing in this field tend to introduce their analyses with a salute to complexity and an apology for their simplifications. However, within the growing body of scholarship, studies of the relationship between industrial innovation and optimal patent policy weigh against the majority's policy decision here. A paper entitled *Optimal Patent Design and the Diffusion of Innovations,* Carmen Matutes, Pierre Regibeau & Katherine Rockett, 27 RAND J. Econs. 60, 78 (1996), concludes that "the optimal scope policy implies that inventors of basic innovations obtain protection on applications that they have not yet fully worked out. This would probably require a more lenient review of claims than is the current practice." Edmund W. Kitch in *The Nature and Function of the Patent System,* 20 J.L. & Econ. 265 (1977) proposes that optimum patent policy should provide sufficiently broad scope to the inventor who opens a new field, to provide adequate economic incentives while avoiding duplication of effort and discouraging recourse to secrecy. D.G. McFetridge and M. Rafiquzzaman in *The*

Scope and Duration of the Patent Right and the Nature of Research Rivalry, 8 Research in Law & Economics: The Economics of Patents and Copyrights 91, 104 (1986) discuss how the existence of non-infringing substitutes alters the benefit gained by an inventor, necessarily skewing incentives to invest.

It is generally agreed that long-term economic growth requires a policy framework that encourages the creation and commercialization of new technologies, as contrasted with a policy that facilitates appropriation of the creative product, lest the creative product dry up in the face of too-easy appropriation. "Knowledge capital," secured by intellectual property rights, now rivals the traditional economic components of labor productivity, capital formation, and natural resources, as the foundation of economic growth.

The inventor and the imitator are affected by quite different economic considerations. The innovator takes the risk of commercial success or failure of new things in new markets—the risk of unfulfilled expectations, obsolescence, regulation, technologic failure. The imitator bears none of these risks; he is interested only in the successful products, not in the failures; he is interested only in the profitable products, not the marginal ones; he moves in only after the invention has been made and tested and the market developed, and can operate at lower margins. The patent system provides weight on the side of the innovator, aided by the doctrine of equivalents and its inhibition of close copying, establishing an incentive whose value has been tested by time. However, it is also well recognized that competition is essential to a healthy economy. Achieving the optimum balance of these factors is of vital national importance. A major policy change in the foundational law affecting innovation and competition should not be made without adequate study of its consequences.

Although there is burgeoning literature on technologic intellectual property rights, the doctrine of equivalents has not, of itself, been a major focus of legal and economic scholarship. I suspect this is due to the complexity of the issue, the variety of factual applications, the diversity of technologies, the breadth of interacting influences on patentees' and competitors' activities, and the complex nuances of competition at the edge of the products of others. A few authors, however, have critically considered the doctrine of equivalents. For example, Robert P. Merges & Richard R. Nelson, in *On the Complex Economics of Claim Scope,* 90 Colum. L. Rev. 839 (1990), observe that the doctrine of equivalents tends to diminish incentives for competitors, but point out that the doctrine also encourages competitors to make "leapfrogging" advances instead of simply copying at the edge of the claims. The questions raised by the doctrine of equivalents are not quite the same as those of patent "scope." The issue of "scope" is directed to aspects of literal claim breadth, as discussed by Kitch, supra. The question of equivalency is quite different. Infringement under the doctrine of equivalents is available only against what is indeed the same invention with only insubstantial change, as contrasted with issues of broad claims for broad but undeveloped concepts. Equivalency is a judge-made response to the pernicious literalism of the system of claiming, not an enlargement of the scope of the invention.

My colleagues in the majority make the error of the "simplified model," which assumes a continuing supply of new products, and ignores the prior steps of invention and commercialization. The majority concludes that the elimination of liability for infringement based on equivalency will be of public benefit: "The public will be free to improve on the patented technology and design around it . . .. [C]ertainty will stimulate investment in

improvements and design-arounds." Maj. op. at 30a. However, the assumption that placing new technology in the public domain is always the optimum path to industrial growth is not supported by experience. Empirical studies have added rigor to the common sense knowledge that reduced profit opportunity affects the supply of capital to launch a new technology, and often the creation of the technology itself. *See, e.g.,* Joshua Lerner, *The Importance of Patent Scope: an Empirical Analysis,* 25 RAND J. of Econ. 319 (1994) (reviewing 173 venture- backed biotechnology firms and reported that an increase of one standard deviation in average patent scope produced a 21% increase in the firm's value).

The present patent law has supported a blossoming of technology-based industry in a competitive environment that is conspicuous for its entrepreneurial vigor. The balance among inventor, investor, competitor, and consumer, and the effect of the doctrine of equivalents on that balance, is not explored in the parties' briefs and had sparse amicus participation, for it was not at issue. Of course no patentee would choose to rely on the doctrine of equivalents to support commercial investment. The public and private interests served by the doctrine of equivalents derive from its deterrence of close imitation, thereby helping to assure to the patentee the benefit of the invention,[22] while obliging would-be competitors to advance the technology instead of simply skirting the edge of the claims. Although its influence is not easy to quantify, it is generally accepted that the doctrine contributes to an industrial policy that seeks to support technologic innovation.

---

[22] The majority exhibits either hubris or humor in explaining that the patentee who is denied access to equivalency is also benefitted because he is spared the cost of enforcing his patent against the equivalent product that has undercut his prices and taken his market. Maj. op. at 30a.

CONCLUSION

The policy underlying the doctrine of equivalents has been sustained by the absence of alternative remedy in meritorious cases, when the patentee's invention has indeed been taken by trivial change from the letter of the claims. By enabling remedy when remedy is warranted, the doctrine adds strength to the system of patents. Today's technological vitality arose on a patent system that included the doctrine of equivalents. A change in the balance between inventor and imitator requires careful understanding of the consequences; a preference for the neatness of precise "notice" does not justify major tinkering with the overall strength of the patent system, with unknown consequences. This court's new recipe for risk-free copying of patented inventions presents policy considerations of national import.

The doctrine of equivalents has not been deemed superfluous as an instrument as justice, and not until today has it been deemed "unworkable" by this court. The Federal Circuit's sua sponte change in this law is a change in industrial policy that requires public discussion in advance of, not after, the law has been changed.[23] This court's initiative flows uncomfortably as a ruling that affects myriad vested rights, on a novel legal theory, without briefing or argument.

---

[23] My colleagues' complaint about the frequency of issues of equivalency in litigation must be viewed in context. Less than a hundred patent cases are fully tried each year, and most of the few hundred appeals to the Federal Circuit reach us on summary disposition. Infringement cases often raise issues of equivalency, usually offered as an alternative theory to literal infringement. These are very small numbers in light of over 1,700,000 unexpired patents, of which 1,200,000 are maintained and in force. Cases in litigation do not provide courts with a balanced picture of the workings of commerce. Litigants rarely explore national policy, as committed parties battle for high stakes. Such cases do not present an objective exposition of the overriding national interest.

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

FESTO CORPORATION,

Plaintiff-Appellee,

v.

SHOKETSU KINZOKU KOGYO KABUSHIKI CO., LTD., a/k/a SMC Corporation, and SMC Pneumatics, Inc.,

Defendants-Appellants.

No. 95-1066.
April 19, 1999.

On remand from the United States Supreme Court

Before: RICH, NEWMAN, and MICHEL, Circuit Judges.

Opinion by Judge Newman

PAULINE NEWMAN, Circuit Judge.

This case returns to us upon grant of certiorari by the United States Supreme Court, followed by vacatur and remand for further consideration in light of the Court's decision in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17, 117 S. Ct. 1040, 41 USPQ2d 1865 (1997).[1] We now affirm the district court's judgment with respect to infringement of the Carroll patent, vacate and remand for

---

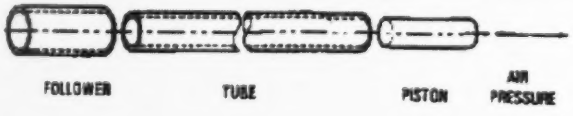
[1] *Shoketsu Kinzoku Kogyo Kabushiki Co. v. Festo Corp.*, 520 U.S. 1111, 117 S. Ct. 1240 (1997).

further proceedings with respect to the Stoll patent, and reinstate our prior decision on the other issues.

BACKGROUND

Festo Corporation sued Shoketsu Kinzoku Kogyo Kabushiki Co. (also known as SMC Corporation) and SMC Pneumatics, Inc. (collectively "SMC") in the United States District Court for the District of Massachusetts, for infringement of two patents relating to magnetically coupled rodless cylinders. Rodless cylinders are used to repeatedly move articles a short distance, for example in assembly lines. By pneumatic or other fluid pressure a piston is moved within a cylinder, and the movement is translated by coupling of the piston to a yoke or other structure outside of the cylinder, which in turn carries the article to be moved.

For magnetic rodless cylinders the piston is not physically attached or yoked to the outer structure, but instead is magnetically coupled to a slidable outer ring or cylinder called the "follower," that carries the article to be moved. When a burst of air or other fluid pressure moves the piston within the cylinder, by magnetic force the follower and its burden are correspondingly moved. The device, separated into its basic components, is pictured as follows:



Trial in the district court was preceded by an eleven-day evidentiary hearing before a special master. The master's report was followed by various motions, of which the district court granted Festo's motion for summary judgment that United States Patent No. 3,779,401 (the Carroll patent) was infringed under the doctrine of equivalents. The court also granted SMC's motion for judgment of noninfringement by certain models of its rodless cylinders. Literal infringement by certain other models was not disputed.

The remaining issues were tried to a jury. The jury found that there was infringement of United States Patent No. 4,354,125 (the Stoll patent) on grounds of equivalency, sustained the validity of both the Carroll and the Stoll patents, and assessed damages. The court entered judgment accordingly, denying duly made post-trial motions. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.,* No. 88-1814-PBS (D. Mass. Feb. 3, 1994).

On appeal of the issues of infringement of the Carroll and Stoll patents and damages, the Federal Circuit affirmed the judgments. *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.,* 72 F.3d 857, 37 USPQ2d 1161 (Fed. Cir. 1995). SMC petitioned for writ of certiorari on two questions, with the following question directed to the doctrine of equivalents (the other question related to procedures involving the special master):

> 1. In a patent case, can the statutory requirement for patent claims (35 U.S.C. § 112, ¶ 2) and the statutory restriction for correcting them (35 U.S.C. § 251, ¶ 4) be nullified by the judicially created doctrine of equivalents?

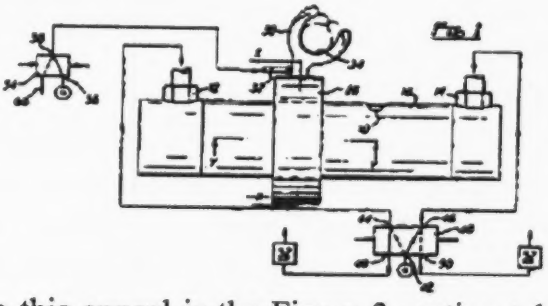
Following its decision in *Warner-Jenkinson* the Court granted SMC's petition, vacated the Federal Circuit's decision, and remanded the case for further consideration; such a sequence of events is called a "GVR" (grant, vacate, remand). A GVR occurs when "intervening developments, or recent developments that we have reason to believe the court below did not fully consider, reveal a reasonable probability that the decision below rests upon a premise that the lower court would reject if given the opportunity for further consideration, and where it appears that such a redetermination may determine the ultimate outcome of the litigation, . . ." *Lawrence v. Chater,* 516 U.S. 163, 167 (1996). The Court espoused the just purpose of avoiding unequal treatment among cases raising similar issues, to

"improve the fairness and accuracy of judicial outcomes." *Id.* at 168. *See also Stutson v. United States,* 516 U.S. 193, 197 (1996) ("a GVR order both promotes fairness and respects the dignity of the Court of Appeals by enabling it to consider potentially relevant decisions and arguments that were not previously before it").

Upon remand this court invited additional briefing of the issues related to the doctrine of equivalents, *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.,* 117 F.3d 1385 (Fed. Cir. 1997), and heard reargument as to both the Carroll and Stoll patents, including new issues of prosecution history estoppel upon which SMC submitted new evidence.

I
THE CARROLL PATENT

The Carroll patent is directed to a magnetic rodless cylinder wherein several cylindrically shaped permanent magnets are disposed on the piston, and the follower is fitted with several annular permanent magnets. The exterior of the device is shown in Figure 1, wherein the cylinder 10 is encircled by the follower bearing permanent magnets of annular shape 28, and having a gripping device 30 which grasps the article to be moved.



Relevant to this appeal is the Figure 3 section taken at Y-Y of Figure 1, showing piston end member 22 bolted to magnet 20. The piston bears annular grooves 24 which accommodate sealing rings 26 adapted to engage the inner wall of cylinder 10 and form a fluid-tight seal.

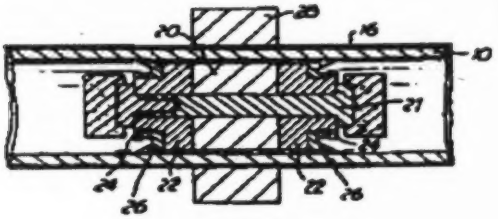


FIG. 3

Reexamined claim 9, the only claim of the Carroll patent in suit, is as follows, with our paragraphing and emphasis added to the subject matter relevant to infringement by equivalency:

9. A device for moving articles, which comprises:

a hollow cylinder formed of non-ferrous material and having opposite axial ends;

a piston mounted in the interior of the hollow cylinder and reciprocatingly slidable therein, the piston including a central mounting member disposed axially in the cylinder,

a plurality of cylindrically-shaped permanent magnets mounted on the central mounting member and spaced apart axially from each other, each magnet having a bore formed axially there-through for receiving the central mounting member,

at least one pair of end members mounted on the central mounting member and disposed on opposite axial sides of the plurality of magnets,

a pair of cushion members formed of resilient material, the cushion members being situated near opposite axial ends of the central mounting member to help prevent damage to the piston when the piston contacts an axial end of the cylinder,

and a pair of resilient sealing rings situated near opposite axial ends of the central mounting

member and engaging the cylinder to effect a fluid-tight seal therewith;

a body mounted on the exterior of the hollow cylinder and reciprocatingly slidable thereon,

the body including a plurality of annularly shaped permanent magnets surrounding the cylinder and spaced apart from each other,

the permanent magnets of the piston and body being polarized so as to magnetically couple the body to the piston whereby movement of the piston inside the cylinder causes a corresponding movement of the body outside the cylinder,

the body further including means provided thereon for holding on the body an article to be moved; and

means for controlling the admission of pressure fluid into the cylinder and exhaust fluid from the cylinder for moving the piston in the cylinder,

the attractive forces between the permanent magnets of the piston and the body being such that movement of the piston causes corresponding movement of the body below a predetermined load on the body and such that above said predetermined load movement of the piston does not cause corresponding movement of the body.

All of the subject matter of claim 9 was conceded by SMC to be literally present in the accused SMC devices, except for the pair of sealing rings. Instead of a pair of sealing rings situated at opposite ends of the piston, the SMC devices have a single two-way sealing ring at the end of the piston that is in contact with the pressure fluid. The SMC devices also have guide rings situated at each end of the piston.

In *Warner-Jenkinson* the Court, after concluding that

the doctrine of equivalents should be preserved,[2] focused on two aspects thereof: the all-elements rule and prosecution history estoppel. SMC states that the all- elements rule was violated by the district court's decision, and that the Court's new presumption of prosecution history estoppel precludes a holding of infringement, whether or not the all-elements rule also requires a decision in its favor. We reconsider the district court's judgment with respect to both of these aspects.

A
THE ALL-ELEMENTS RULE

1. The Prior Proceedings

The substitution of a two-way sealing ring for the claimed pair of sealing rings was the basis of the district court's summary judgment of infringement of claim 9 under the doctrine of equivalents. SMC did not dispute that the two-way sealing ring effects a fluid-tight seal with the cylinder, the function stated in the claim clause directed to the sealing rings. SMC did not dispute the interchangeability of the two-way sealing ring and the pair of sealing rings, or that the claimed sealing function is achieved in the same way and with the same result. SMC's only argument to the district court was that the all-elements rule does not permit a finding of equivalence, as a matter of law, because the accused SMC devices do not contain two sealing rings or two equivalent elements.

The district court did not adopt SMC's view of the all-elements rule. Citing precedent wherein the all-elements rule was found to be satisfied when the function of the claimed element was performed but not by a direct

---

[2] The virtually unanimous views of *amici curiae* the United States and technology-based industry were that the doctrine of equivalents should be preserved.

correspondence of components, the district court held that the substitution of a two-way sealing ring, which performs the same function as the pair of sealing rings, is in compliance with the all-elements rule. The district court explained:

> To constitute an infringement, the accused device must contain each and every limitation of the claim or its substantial equivalent. *Vaupel [Textilmaschinen KG v. Meccanica Euro Italia S.P.A.,* 944 F.2d 870, 20 USPQ2d 1045 (Fed. Cir. 1991)], 944 F.2d at 879. "An equivalent must be found for every limitation of the claim somewhere in an accused device, but not necessarily in a corresponding component, although that is generally the case." *Corning Glass Works v. Sumitomo Elec. U.S.A., Inc.,* 868 F.2d 1251, 1259 (Fed. Cir. 1989) (adding negative dopant to the cladding is equivalent to adding positive dopant to the core in the context of the claimed invention).

Since equivalency was not disputed, and we agree that the claimed test is met of substantially the same function, way, and result, the district court granted Festo's motion for summary judgment of infringement.

On this rehearing of its appeal to the Federal Circuit SMC again does not dispute the fact of equivalency, but again argues that the all-elements rule bars a finding of infringement. Citing *Pennwalt Corp. v. Durand-Wayland, Inc.,* 833 F.2d 931, 4 USPQ2d 1737 (Fed. Cir. 1987) (en banc) and ensuing Federal Circuit decisions, as now reinforced in *Warner-Jenkinson,* SMC argues that the all-elements rule precludes any liability under the doctrine of equivalents because the accused SMC devices do not contain a pair of sealing rings or two distinct elements that are the same as or equivalent to the pair of sealing rings.

In reviewing a grant of summary judgment the

appellate court must decide, on the record presented to the trial court, whether the movant is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c). Thus the evidence is viewed in the light most favorable to the non-movant, drawing factual inferences and resolving factual doubts in favor of the non-movant. *See, e.g., EMI Group North America, Inc. v. Intel Corp.*, 157 F.3d 887, 891, 48 USPQ2d 1181, 1184 (Fed. Cir. 1998) (citing *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 254 (1986)). Infringement in terms of the doctrine of equivalents is amenable to summary judgment when on the correct law, and undisputed facts or the non-movant's supportable version of the facts, the movant's position must prevail. *See Warner-Jenkinson,* 520 U.S. at 39 n. 8, 41 USPQ2d at 1875 n. 8 (summary judgment is proper when no reasonable jury could find the elements to be equivalent).

In affirming the district court's judgment we cited *Dolly, Inc. v. Spalding & Evenflo Cos.*, 16 F.3d 394, 398, 29 USPQ2d 1767, 1769 (Fed. Cir. 1994) and *Intel Corp. v. United States Int'l Trade Comm'n,* 946 F.2d 821, 832, 20 USPQ2d 1161, 1171 (Fed. Cir. 1991) for the principle that the all-elements rule may be satisfied although there is not one-to-one correspondence between each element of the claimed invention and each component of an accused device depending on the facts of the particular substitution. We first consider whether this principle continues to be viable in the wake of *Warner-Jenkinson.*

2. Precedent

In *Warner-Jenkinson* the Court reaffirmed the precept of the doctrine of equivalents that "a product or process that does not literally infringe upon the express terms of a patent claim may nonetheless be found to infringe if there is 'equivalence' between the elements of the accused product or process and the claimed elements of the patented invention." 520 U.S. at 21, 117 S. Ct. at 1045, 41 USPQ2d at

1865. Thus the Court responded to the concerns expressed by the *amici* that the law continue to limit this opportunity for "fraud on the patent," the words of *Graver Tank,* while guarding against undue breadth of the doctrine by confirming that it is the separate claim elements for which equivalency is determined, and not the invention as a whole:

> Each element contained in a patent claim is deemed material to defining the scope of the patented invention, and thus the doctrine of equivalents must be applied to individual elements of the claim, not to the invention as a whole.

520 U.S. at 29, 117 S. Ct. at 1049, 41 USPQ2d at 1871.

The invention-as-a-whole criterion was discarded by the Federal Circuit en banc in its decision in *Pennwalt,* wherein the court adopted the all-elements rule. In the decade since *Pennwalt* the Federal Circuit has applied the rule in diverse factual situations and has refined its application accordingly. Thus in *Corning Glass Works v. Sumitomo Electric U.S.A., Inc.,* 868 F.2d 1251, 9 USPQ2d 1962 (Fed. Cir. 1989) the court elaborated that the accused device must contain every claim element, but "not necessarily in a corresponding component, although that is generally the case." *Id.* at 1259, 9 USPQ2d at 1968. Discussing the all-elements rule in terms of claim limitations, the court explained:

> A patentee is, for example, free to frame the issue of equivalency, if it chooses, as equivalency to a combination of limitations.

Id. at 1259 n. 6, 9 USPQ2d at 1968 n. 6.[3] In *Corning Glass*

---

[3] Several Federal Circuit opinions state a preference for the usage "all limitations rule." Although the Court in *Warner-Jenkinson* spoke in terms of elements, we discern no intention to overturn the "all limitations" usage, or to negate the often interchangeable use of these terms in Federal Circuit Precedent.

the claim limitations were found embodied in the accused device, although there was not directed correspondence between the claimed elements. *See also Perkin-Elmer Corp. v. Westinghouse Elec. Corp.*, 822 F.2d 1528, 1533 n. 9, 3 USPQ2d 1321, 1325 n. 9 (Fed. Cir. 1987) ("a limitation may include descriptive terms").

Applying the rule in *Intel v. ITC,* 946 F.2d at 832, 20 USPQ2d at 1171, the court stated that: "The doctrine of equivalents does not require a one-to-one correspondence between the accused device and that disclosed in the patent." In *Sun Studs, Inc. v. ATA Equipment Leasing Inc.*, 872 F.2d 978, 989, 10 USPQ2d 1338, 1347 (Fed. Cir. 1989), *overruled as to laches by A.C. Aukerman Co. v. R.L. Chaides Const. Co.*, 960 F.2d 1020, 1038-39, 22 USPQ2d 1321, 1333 (Fed. Cir. 1992) (en banc), the court stated: "One-to-one correspondence of components is not required, and elements or steps may be combined without *ipso facto* loss of equivalency." In *Ethicon Endo-Surgery, Inc. v. United States Surgical Corp.*, 149 F.3d 1309, 1317, 47 USPQ2d 1272, 1277 (Fed. Cir. 1998), the court observed that the all-elements rule was not intended to "swallow" the doctrine of equivalents, as could occur if any change in a claim element or limitation were deemed fatal to compliance with the rule. Precedent since *Pennwalt* illustrates that the "all-elements rule" or "all-limitations," in limiting application of the doctrine of equivalents to each claim element or step,[4] does not eliminate access to equivalency in all of the possible circumstances in which the components of an apparatus are realigned or a limitation is changed. The court's experience of diverse claims and inventions in many different situations has imparted depth as well as rigor to the rule.

We discern in *Warner-Jenkinson* no basis for believing that the Court intended to erase this wealth of

---

[4] In *Pennwalt* the omissions that gave rise to the all-elements rule were process steps.

precedent. The Court explained that in applying the rule it is appropriate to identify "the role played by each element in the context of the specific patent claim." *Warner-Jenkinson,* 520 U.S. at 40, 117 S. Ct. at 1054, 41 USPQ2d at 1875. This analysis "will thus inform the inquiry as to whether a substitute element matches the function, way, and result of the claimed element, or whether the substitute element plays a role substantially different from the claimed element." *Id.*

Compliance with the all-elements or all-limitations rule is determined at the threshold of the equivalency analysis, based on whether each claim element has a counterpart in the accused device or process, as informed by precedent. Compliance with the all-elements rule is a distinct inquiry from that of equivalency in fact; it is a determination of the relationship between the combination claimed and the components of the accused device or process, element by element. The Court in *Warner-Jenkinson* described this rule as a "legal limitation[ ] on the application of the doctrine of equivalents [and] to be determined by the court." 520 U.S. at 39 n. 8, 117 S. Ct. at 1053 n. 8, 41 USPQ2d at 1875 n. 8. Thus we review compliance with the all-elements rule as a question for the court, first identifying the claim elements as a matter of construction of the claim, *see Markman v. Westview Instruments, Inc.,* 517 U.S. 370, 38 USPQ2d 1461 (1996), and then determining the correspondence of these elements, or limitations, with the components or steps of the accused device or process.

3. Application to the Carroll Patent

The district court ruled, upon summary judgment, that the all-elements rule was not violated. The threshold question, on this GVR review, is whether that ruling was correct in law. The claim 1 "limitation" or "element" at issue in the Carroll patent is stated as follows:

> and a pair of resilient sealing rings situated near opposite axial ends of the central mounting member

and engaging the cylinder to effect a fluid-tight seal therewith;

The accused SMC models use, instead of a pair of sealing rings situated at opposite ends of the piston, one two-way sealing ring situated at the end of the piston that contacts the pressure fluid. Either of these configurations effects a fluid-tight seal with the cylinder. SMC argues that by using a single sealing ring a claim element has been eliminated, violating the all-elements rule and thus precluding access to the doctrine of equivalents, whether or not there is equivalency in fact. Festo argues that the claim element is the pair of sealing rings, and that its substitution by a single sealing ring that performs the identical function does not completely eliminate the claim element and thus meets the requirements of the all-elements rule. Festo states that the caution in *Warner-Jenkinson* that "It is important to ensure that the application of the doctrine, even as to an individual element, is not allowed such broad play as to effectively eliminate that element in its entirety," 520 U.S. at 29, 117 S. Ct. at 1049, 41 USPQ2d at 1871, recognized that there may be partial substitution for a claim element, such as by replacing the pair of sealing rings with one two-way sealing ring, in conformity with the all-elements rule.

Warner-Jenkinson teaches that it is appropriate to inquire into the "role" of the pair of sealing rings, and to compare that role with the role of the substituted two-way sealing ring. 520 U.S. at 40, 117 S. Ct. at 1054, 41 USPQ2d at 1875 (considering the role of each element in the context of the claim). Applying this principle, we observe that the role of the pair of sealing rings, as stated in the claim, is to effect a fluid-tight seal with the cylinder.[5] This role is

---

[5] In the SMC devices there are additional rings at each end of the piston, which serve the guiding function of the omitted sealing ring. The district court did not treat this aspect in discussing the Carroll patent, and it is not essential to our

preserved in the two-way sealing ring of the SMC devices, wherein the claimed function is fully performed by the two-way sealing ring. The claimed pair of sealing rings has not been eliminated in its entirety, but has been substituted with a single two-way sealing ring that fully preserves the function stated in the claim. We therefore again affirm the district court's ruling that the all-elements rule is met by the sealing ring structure in the SMC devices, and that consideration of equivalency *vel non* of this limitation is not barred.

4. Equivalency in Fact

The second step of the analysis, reached when the all-elements requirement has been met, is determination of whether there is in fact equivalency. Even a directly corresponding component is not *ipso facto* an equivalent; modifications that meet the all-elements requirement may nonetheless embody substantial change from the claim limitations and thus avoid equivalency in fact. For example, in *Dolly v. Spalding* the court recognized that "[a]n accused device may infringe under the doctrine of equivalents even though a combination of its components performs a function performed by a single element in the patented invention," 16 F.3d at 398, 29 USPQ2d at 1770, yet the court found no equivalency on the facts of that case.

The factual inquiry starts with determination of the similarities and differences between the claim element and its embodiment in the accused device. Relevant are the classical criteria of whether the function, way, and result are substantially the same. The Court in *Warner-Jenkinson* directed particular attention to the factor of interchangeability, and whether a person skilled in the field of the invention would have known of the interchangeability of the substitution, at the time of the infringement. In its submissions in response to Festo's motion for summary judgment as to the Carroll patent, SMC did not challenge

Festo's evidence of technologic equivalency. SMC did not dispute that its two-way sealing ring performs the function of providing a fluid-tight seal, in the same way, with the same result, as the pair of sealing rings. No new material fact has been brought to our attention upon GVR. Thus the ruling of equivalency, on undisputed facts, is sustained.

We turn to the new issue raised by SMC, that of the Court's new presumption of prosecution history estoppel.

B

PROSECUTION HISTORY ESTOPPEL

1. The New Presumption

Prosecution history estoppel is an adaptation of the common law of estoppel to the processes of patent examination. Tracing its origins to *Sutter v. Robinson,* 119 U.S. 530, 541 (1886), the Court in *Warner-Jenkinson* reinforced the equitable rule that one who takes a position in order to obtain a benefit can not later disavow or take an inconsistent position after the requested benefit is obtained based on the position taken.

Patent prosecution is a public record, and after grant of the patent the public has full access to the examiner's objections and the patentee's responses along the path to the grant. The estoppel arises from the examiner's reliance on the applicant's amendments and arguments in response to the examiner's objections, and the public interest in the patent grant imparts to the public the right to invoke an estoppel on the premises of the examination. Thus a patentee can not recover for infringement under the doctrine of equivalents when the asserted equivalent was yielded during the examination process in order to obtain the patent. *See Graham v. John Deere Co.,* 383 U.S. 1, 33 (1966) ("claims that have been narrowed in order to obtain the issuance of a patent by distinguishing the prior art cannot be sustained to cover that which was previously by limitation eliminated

from the patent") (cited with approval in *Warner-Jenkinson,* 520 U.S. at 31, 117 S. Ct. at 1050, 41 USPQ2d at 1876).

In *Warner-Jenkinson* the Court reaffirmed the importance of prosecution history estoppel in applying the doctrine of equivalents. The Court explained that the estoppel arises from amendments that were required to be made for reasons of patentability, and established a new presumption that when it is not clear from the prosecution record why an amendment was made, there is a presumption that the amendment was made for reasons of patentability:

> [W]e think the better rule is to place the burden on the patent-holder to establish the reason for an amendment required during patent prosecution. The court would then decide whether that reason is sufficient to overcome prosecution history estoppel as a bar to application of the doctrine of equivalents to the element added by that amendment. Where no explanation is established, however, the court should presume that the PTOhad a substantial reason related to patentability for including the limiting element added by amendment.

520 U.S. at 33, 117 S. Ct. at 1051, 41 USPQ2d at 1873. This new presumption of estoppel is "subject to rebuttal if an appropriate reason for a required amendment is established." *Id.* Thus the burden is shifted to the patentee. The court must consider the reason for the amendment and determine whether estoppel arises. The Court explained:

> [I]f the patent-holder demonstrates that an amendment required during prosecution had a purpose unrelated to patentability, a court must consider that purpose in order to decide whether an estoppel is precluded.

520 U.S. at 40, 117 S. Ct. at 1054, 41 USPQ2d at 1876. The Court rejected, however, the argument that any amendment

whatsoever produces an estoppel, stating that "we see no substantial cause for requiring a more rigid rule invoking an estoppel regardless of the reasons for the change." *Id.* at 32, 117 S. Ct. at 1050, 41 USPQ2d at 1872. The Court stated:

> Where the reason for the change was not related to avoiding the prior art, the change may introduce a new element, but it does not necessarily preclude infringement by equivalents of that element.

Id. at 33, 117 S. Ct. at 1050-51, 41 USPQ2d at 1872.

Although prosecution history estoppel as to the Carroll patent was not an issue in the prior proceedings, in view of the GVR we now consider it. Upon additional briefing, SMC raises the issue of whether the new presumption of *Warner-Jenkinson* arises, based on a document presented to this court by SMC for the first time on this reargument.

2 Reexamination of the Carroll Patent

The relevant prosecution is that of the reexamination. The original claims of the Carroll patent did not mention the sealing rings. Festo introduced the entire claim clause directed to the rings and their function, along with several other changes in the claims, after the Carroll patent was accepted for reexamination. The sealing rings were depicted in Figure 3 of the original patent, see the drawing *ante,* and the written description described the sealing rings as effecting a fluid-tight seal, the function stated in the new claim clause. The other new claim clauses concern subject matter not at issue.

Festo cited as the reason for its reexamination request its own German Patent No. 1,982,379, which had not been cited by either the examiner or the previous patent owner during the initial examination. The German patent describes rodless cylinders having several of the features of the device described in the Carroll patent, including sealing rings. Festo

argued during the reexamination that Carroll's claimed features of the plurality of spaced magnets and the end members and cushions distinguished the Carroll invention from that described in the German patent. The examiner agreed, and in the "Reasons for Allowance" stated:

> Claims 3, 4, 5, 6, and 9 are deemed allowable over the prior art of record, including German Patent No. 1,982,379 because the prior art does not teach or render obvious the claimed combination which includes the plurality of magnets, end members, and cushion members in the claimed relationship.

Carroll patent file history, Paper No. 7.

SMC argues that the Court's new presumption of estoppel bars all recourse to the doctrine of equivalents based on the sealing rings, because the amendment containing the sealing rings was added during reexamination. SMC states that by presenting this amendment Festo yielded all right to assert equivalency as to this element. Festo responds that no estoppel, and no presumption of estoppel, arises because the amendment adding the sealing rings to the claim was voluntary and was not required by an examiner's rejection. Festo points out that such sealing rings were known in the prior art, referring to the German patent as to which the Carroll patent was reexamined. The prosecution history is clear that neither Festo nor the examiner distinguished the German patent based on the sealing rings.

SMC points out that in requesting reexamination Festo made the obligatory representation that a new issue of patentability may be present, and that in granting the request for reexamination the examiner necessarily found that a new issue of patentability was present. Festo answers that the new issue flowing from German Patent No. 1,982,379 was not related to the sealing rings, referring to the prosecution record which shows lengthy discussion of the magnets and the cushion and end members, but mentions the sealing rings

only in a list of changes to the claim. Review of the prosecution history confirms Festo's position that the sealing rings were not discussed in the prosecution of the reexamination application.

SMC nonetheless states that *Warner-Jenkinson* requires that this amendment adding the sealing rings precludes any finding of equivalency relating to the sealing rings. SMC argues that the addition of the sealing rings clause during reexamination should be viewed as if it were required and related to patentability, on the basis that any change to claims is necessarily related to patentability. This position was rejected in *Warner-Jenkinson* when, considering a similar argument, the Court stated that "petitioner reaches too far in arguing that the reason for an amendment during patent prosecution is irrelevant to any subsequent estoppel." 520 U.S. at 30, 117 S. Ct. at 1049, 41 USPQ2d at 1871.

The same argument was discussed in *Hughes Aircraft Co. v. United States,* 140 F.3d 1470, 1476, 46 USPQ2d 1285, 1290 (Fed. Cir. 1998), wherein this court rejected the "contention that *Warner-Jenkinson* requires such a wooden approach to prosecution history estoppel." *See also Litton Systems, Inc. v. Honeywell, Inc.,* 140 F.3d 1449, 1455, 46 USPQ2d 1321, 1325 (Fed. Cir. 1998) (the court must inquire into the reason for the amendment). However, when an amendment is required for reasons of patentability, estoppel arises and the court must determine the extent of the estoppel. *Id.* Further, as the Court noted in *Warner-Jenkinson,* the court may "explore the reason (right or wrong) for the objection and the manner in which the amendment addressed and avoided the objection." 520 U.S. at 33 n. 7, 117 S. Ct. at 1051 n. 7, 41 USPQ2d at 1872 n. 7.

In the large body of Federal Circuit precedent on various aspects of prosecution history estoppel, this court has rigorously held patent applicants to positions taken in order

to establish patentability during prosecution. *See, e.g., Mannesmann Demag Corp. v. Engineered Metal Prods. Co.*, 793 F.2d 1279, 1284-85, 230 USPQ 45, 48 (Fed. Cir. 1986) (the court shall determine the extent of the estoppel in light of the applicant's amendments, statements to the examiner, the prior art that has been distinguished, and the effect of the amendment on the allowance of the claims). However, a voluntary amendment, not accompanied by argument or representations relevant to patentability, does not necessarily generate an estoppel, any more than do the claims as originally filed. *See Warner-Jenkinson, supra.* SMC's position that estoppel is automatic as to any claim limitation added by amendment is not an accurate statement of the holding of *Warner-Jenkinson.*

For the Carroll patent, the voluntary amendment adding the sealing rings was not made in response to a relevant rejection. It is not disputed that the sealing rings were known in the prior art. The sealing rings were not at issue during the reexamination, and neither rejection nor argument was made concerning the sealing rings. The examiner's stated reasons for grant of the reexamined claims were unrelated to the sealing rings. We conclude that prosecution history estoppel does not affect the application of the doctrine of equivalents to the sealing rings.

CONCLUSION

Upon reconsideration, the district court's application of the all-elements rule to the Carroll patent has not been shown to be in error. Prosecution history estoppel does not arise. Equivalency in fact was not disputed. Thus the summary judgment of infringement of the Carroll patent is affirmed.

II
THE STOLL PATENT

The jury found infringement of the Stoll patent in

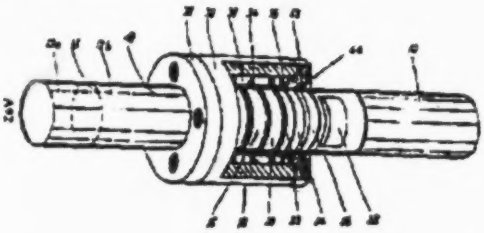
terms of the doctrine of equivalents. On its prior review the Federal Circuit affirmed this judgment, concluding that the jury had been charged with the correct law, with special attention to the all-elements rule, and that there was substantial evidence whereby reasonable jurors could have reached the verdict of infringement.

Upon GVR rehearing, SMC again argues that the all-elements rule was not met. SMC also raises new issues of estoppel, providing this court with documentary evidence not of record before the trial court. Although we conclude, as we shall discuss, that the all-elements rule was met and that the jury verdict of equivalency was supported by substantial evidence, a new issue has been raised of possible estoppel with respect to the sealing rings element of the Stoll claims. Although Festo cogently objects to the reopening of this issue based on documents that have long been available to SMC (the translation of German patents cited during prosecution), in full implementation of the GVR we have received this new evidence into the appeal record. We now determine that a new issue has been raised which warrants further development, not available *ab initio* on appeal; thus this issue requires remand tothe district court. The other issues are resolved upon this reconsideration, as we discuss.

A

THE STOLL INVENTION

The Stoll patent describes and claims an improved magnetic rodless cylinder, illustrated as follows:



The relevant structure includes cylindrical tube 10 in

which moves piston 16. Sealing rings 26 and guide rings 24 are seated in grooves at each end of the piston. The outer cylindrical sleeve is shown at 30. Claim 1 of the Stoll patent follows, with our paragraphing and emphases added to show the elements relevant to this appeal:

> 1. In an arrangement having a hollow cylindrical tube and driving and driven members movable thereon for conveying articles, the improvement comprising
>
> wherein said tube is made of a nonmagnetic material,
>
> wherein said driving member is a piston movably mounted on the inside of said tube, said piston having a piston body and plural axially spaced, first permanent annular magnets encircling said piston body,
>
> said piston further including first means spacing said first permanent magnets in said axial spaced relation, the radially peripheral surface of said magnets being oriented close to the internal wall surface of said tube,
>
> said piston further including plural guide ring means encircling said piston body and slidingly engaging said internal wall and
>
> *first sealing rings located axially outside said guide rings for wiping said internal wall as said piston moves along said tube to thereby cause any impurities that may be present in said tube to be pushed along said tube so that said first annular magnets will be free of interference from said impurities,*
>
> *wherein said driven member includes a cylindrical sleeve made of a magnetizable material*

and encircles said tube,

said sleeve having plural axially spaced second permanent annular magnets affixed thereto and in magnetically attracting relation to said first permanent annular magnets,

and second means spacing said second permanent annular magnets in said axially spaced relation, the radially inner surface of said magnets being oriented close to the external surface of said tube,

said sleeve having end face means with second sealing rings located axially outside said second permanent annular magnets for wiping the external wall surface of said tube as said driven member is moved along said tube in response to a driving movement of said piston to thereby cause any impurities that may be present on said tube to be pushed along said tube so that [said] second permanent annular magnets will be free of interference from said impurities.

SMC argues that the all-elements rule is not met by the judgment of infringement as to two aspects; first, because in the SMC devices the first sealing rings are substituted with a single two-way sealing ring, and second, because the cylindrical sleeve in the SMC devices is not made of a magnetizable material. SMC also argues that the factual questions of equivalency were wrongly decided, and that prosecution history estoppel precludes infringement. Festo disputes these arguments, states that the all-elements rule was correctly stated and applied, that there was no issue of prosecution history estoppel, and that there was substantial evidence supporting the jury verdict. Festo argues that nothing in *Warner-Jenkinson* warrants rejecting this verdict and the district court's decision denying SMC's post-trial motions for judgment as a matter of law.

B
THE ALL-ELEMENTS RULE

SMC stated in its petition for certiorari that at the trial, and in instructing the jury, the district court applied the invention-as-a-whole standard of equivalency instead of the all-elements rule, and that this fundamental flaw pervaded the prior appeal to the Federal Circuit. That is incorrect. The all-elements rule was the law that was applied at trial and on appeal. Argument as to this issue dominated the motions for summary judgment, the trial to the jury, the arguments on post-trial motions, and the prior appeal to the Federal Circuit.

At the trial of infringement of the Stoll patent the district court instructed the jury on the all-elements rule as follows:

> Now, let me move on to the second step and explain that a little more. The second step is to decide whether each limitation in the properly construed claims is found in the accused device. Liability for infringement requires that an accused device contain every limitation of a claim or its substantial equivalent.
>
> Let me repeat that. Liability for infringement requires that an accused device contain every limitation of a claim or its substantial equivalent.
>
> Here the claim of infringement is a claim under what you have now heard referred to many times as infringement under the doctrine of equivalence. Infringement of a patent claim can be found by way of the doctrine of equivalence.
>
> It is insufficient for proof of infringement under this doctrine of equivalence that the accused devices are equivalent overall to the claimed invention.

SMC argues that this instruction did not adequately state the

law as now set forth in *Warner-Jenkinson,* stating in its brief on reconsideration that "the jury instruction would not be sufficient today since it does not include a caution ('special vigilance') against any theory which eliminates a claim element." However, it is hard to imagine a clearer caution against elimination of a claim element, or a plainer statement of the all-elements rule, than was stated by the district court. The technological facts concerning the embodiment of the claimed elements in the SMC devices were presented by witnesses and argued by counsel in the context of the all-elements rule, whose emphasis pervaded the trial.

We do not discern grounds for reversal or a new trial based on any error in the jury instructions or the law as applied by the districtcourt upon post- trial motions. The instructions state the correct law, no objection was made to these instructions at the trial, and the law as stated does not differ from that of the Court in *Warner-Jenkinson.* Nor was any objection made to the presentation of this question to the jury upon these instructions. We turn to review of the jury verdict, as did the district court, upon the principles of judgment as a matter of law.

C

THE ISSUES OF EQUIVALENCY

The jury verdict was that claim 1 of the Stoll patent was infringed under the doctrine of equivalents. The district court entered judgment accordingly. We have again reviewed the evidence to ascertain whether the jury's express or implicit findings were supported by substantial evidence, and whether the legal conclusion represented by the verdict was adequately based on supported findings, accompanied by correct application of the law to the facts. *See Shatterproof Glass Corp. v. Libbey-Owens Ford Co.,* 758 F.2d 613, 619, 225 USPQ 634, 636 (Fed. Cir. 1985) ("In reviewing a decision denying a motion for judgment notwithstanding the verdict, we do not approach the issues as

if there had been no trial. We review the evidence as a whole, and ascertain whether the verdict is in accordance with law, and whether there was substantial evidence in support of the jury's verdict.")

1. The Sealing Rings

SMC argues that the claim term "first sealing rings" designates two elements, and that the all-elements rule requires the substitution of two separate elements that are the same or equivalent elements. As discussed in connection with the Carroll patent, the all-elements rule requires that a claim element not be "eliminated in its entirety," *Warner-Jenkinson,* 520 U.S. at 29, 117 S. Ct. at 1049, 41 USPQ2d at 1871, and within that framework the rule does not preclude all counterpart embodiments except one-to-one correspondence. *See* Part I.A *ante.*

The issues as to the Stoll patent, with respect to the sealing rings, are not the same as for the Carroll patent. The Stoll claimed element of the "first sealing rings" is associated with the additional function of the wiping of impurities to avert contamination of the magnets. SMC states that when one of the sealing rings is absent this function is not performed. The written description states that the wiping function is also performed by the adjacent guide rings:

> any such impurities are pushed along in front of piston 16 by the sealing rings 26 or—should they manage to get past these—by the sliding guide rings 24, so that the annular magnet arrangement is invariably faced with a clean section of the internal tube wall.

Stoll patent, col. 3, lines 51-55.

SMC argues that this multiplicity of rings and functions distinguishes the Stoll invention from that of the Carroll patent, such that even if the all- elements rule was met as to Carroll, it is violated as to Stoll. Festo states that

the evidence supports the contrary conclusion.

Festo's witnesses testified to the correspondence between the first sealing rings and the SMC two-way sealing ring, and that the guide rings in the SMC devices also perform a wiping function as taught in the specification. Inquiry under the all-elements rule is "[informed by] an analysis of the role played by each element in the context of the specific patent claim." *Warner- Jenkinson,* 520 U.S. at 40, 117 S. Ct. at 1054, 41 USPQ2d at 1875. The role of the sealing rings and the guide rings in wiping the cylinder was fully explored at the trial, where SMC did not dispute that the wiping function was performed in the SMC devices.

The verdict is in accord with the precepts of *Warner-Jenkinson,* for the claimed element of the "first sealing rings" was not eliminated in its entirety, and the limitation of the wiping function was shown to be performed. *See Corning Glass,* 868 F.2d at 1259, 9 USPQ2d at 1968 ("An equivalent must be found for every limitation of the claim somewhere in an accused device, but not necessarily in a corresponding component, although that is generally the case"). We conclude that the threshold premise of the jury verdict, that the all-elements rule was met, was supported and must be sustained.

On the question of equivalency in fact, Festo's mechanical expert Dr. Barry Wolf, and the inventor Dr. Stoll, testified to the facts of interchangeability of the ring structures, and the substantial identity of function, way, and result. SMC did not present any contrary evidence or witnesses. We conclude that substantial evidence supported the verdict of infringement under the doctrine of equivalents with respect to the issue of the first sealing rings.

2. The Magnetizable Material of the Sleeve

The relevant claim clause is as follows:

wherein said driven member includes a cylindrical

sleeve made of a magnetizable material and encircles said tube,

In the SMC devices the cylindrical sleeve is made of an aluminum alloy, a material not generally viewed as magnetizable. SMC argues that the magnetizable material is a separate claim element, and that since the SMC sleeve is not made of magnetizable material the all-elements rule prohibits the asserted equivalency. Thus SMC argues that it is irrelevant whether or not the sleeves are equivalent in fact.

Festo responds that equivalency was properly determined as to the "cylindrical sleeve made of a magnetizable material," citing *Corning Glass* for its explanation that "a patentee is, for example, free to frame the issue of equivalency, if it chooses, as equivalency to a combination of limitations." 868 F.2d at 1259 n. 6, 9 USPQ2d at 1968 n. 6. We agree that this precedent aptly fits the situation presented herein. Thus although a change of the material or properties of a component may (or may not) defeat equivalency as a matter of fact, it does not bar access to the doctrine of equivalents as a matter of law.

Testifying on the factual question of equivalency, Festo's expert witness in the field of physics and magnetism, Dr. Schroeder, explained at the trial that the purpose of the magnetizable material was to contain any magnetic flux emanating from the cylinder, lest such flux act as a brake on the piston, thereby decreasing the efficiency of the device. Dr. Schroeder explained that because of the small gap between the cylinder and the surrounding sleeve, substantially all of the magnetic flux is concentrated internally in the cylinder and any magnetic flux emanating from the cylinder is very small. His tests showed that the SMC sleeve, although made of an aluminum alloy, nonetheless minimized magnetic leakage fields and reduced the leakage by 300%. He testified that because of the very small leakage this containment of magnetic flux occurs in

substantially the same way with the same result as for the sleeve made of magnetizable material.

SMC presented no data or test evidence on its behalf, but at the trial challenged the significance of Dr. Schroeder's testimony. On this appeal SMC again criticizes Dr. Schroeder's testimony and the meaning of his results. However, there was substantial evidence whereby a reasonable jury could have found equivalency between the claimed sleeve and the sleeve of the SMC devices.

3. The Verdict of Infringement

The verdict of infringement based on the doctrine of equivalents must be sustained. However, SMC has raised new issues of prosecution history estoppel, to which we turn.

D

PROSECUTION HISTORY ESTOPPEL

The parties dispute whether prosecution history estoppel was an issue at trial. In order fully to implement the GVR we have considered this issue, which was briefed for this reconsideration hearing. We conclude, as we shall discuss, that the Court's new presumption of estoppel is relevant to the Stoll patent.

The prosecution of the Stoll patent is shown in the record before us as follows: The patent application as filed in the United States was an English- language counterpart of the German patent application. In the first Action the United States examiner made no rejection on prior art, although three references were listed as "believed pertinent" without further analysis. The examiner's only substantive comment was under '112 & 1, the examiner stating: "Exact method of operation unclear. Is device a true motor or magnetic clutch?" The examiner objected, citing '112 & 2, to some of the claims as being in multiple dependent form, a style prohibited in United States practice.

In response Festo clarified the nature of the device and rewrote the claims. In so doing, Festo included in the broadest claim (claim 1) the subject matter relating to the sealing means and the magnetizable sleeve that had been initially presented in dependent claims. Claim 1 as initially filed recited "sealing means at each end" of the piston "for wiping engagement." On rewriting after the examiner's initial Action, Festo replaced the "sealing means at each end" phrase with "first sealing rings located axially outside said guide rings," the text of dependent claim 4. Festo also replaced the phrase "hollow cylindrical assembly" of original claim 1 with "a cylindrical sleeve made of a magnetizable material and encircles said tube," from dependent claim 8. No explanation was given for these changes. The district court discussed the magnetizable sleeve in its ruling on pre-trial motions, and observed that this amendment did not appear to be needed to distinguish from prior art:

> Although the examiner identified certain "cited references believed pertinent," there is nothing in the record or the [master's] report to indicate that the limitation of a magnetizable sleeve was necessary to distinguish the claimed invention over prior art.

Accompanying the amendment Festo submitted two German patents that had been cited during examination of the corresponding German application and made the following statement:

> Applicant wishes to make of record German Offenlegengsschrift No. 27 37 924 and German Gebrauchsmuster No. 19 82 379. These references were cited in the first Office Action received in the corresponding German application. These references are obviously clearly distinguishable over the subject matter of the claims now present in this application. Accordingly, further comment

> about the subject matter of these references is believed unnecessary. It is clear that neither of these references discloses the use of structure preventing the interference of impurities located inside the tube and on the outside of the tube while the arrangement is moved along the tube.

Thus Festo referred to the wiping structure and function as not being described in the prior art. No mention was made, by applicant or examiner, of the magnetizable material or any other changes to the claims.

No rejection as to patentability was made by the United States examiner, and no other argument was presented by the applicant. SMC now states that Festo obviously amended the claims in light of the two German references it had cited, and argues that Festo is estopped from asserting equivalency as to the changes that were made in the claims. SMC states that it is irrelevant whether references were relied on by the examiner as grounds of rejection, or cited by the applicant, in order to generate an estoppel or a presumption of estoppel, against the assertion of equivalency of amended claim elements. That theory is not in accordance with the rulings of *Warner-Jenkinson,* for the Court explicitly directed its presumption to amendments that were "required" during prosecution:

> [W]e think the better rule is to place the burden on the patent-holder to establish the reason for an amendment required during patent prosecution.

520 U.S. at 33, 117 S. Ct. at 1051, 41 USPQ2d at 1873. Although SMC argues that the Stoll claim was amended to avoid some possible future rejection, in *Warner-Jenkinson* the Court, citing *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126, 136 (1942), dealt with a position similar to that now pressed by SMC:

> Chief Justice Stone distinguished inclusion of a

> limiting phrase in an original patent claim from the "very different" situation in which [changes were made] "in order to meet objections in the Patent Office, *based on references to the prior art.*" [Emphasis in *Warner-Jenkinson.*]

Warner-Jenkinson, 520 U.S. at 31, 117 S. Ct. at 1049-50, 41 USPQ2d at 1872. The Court further held:

> Our prior cases have consistently applied prosecution history estoppel only where claims have been amended for a limited set of reasons, and we see no substantial cause for requiring a more rigid rule involving an estoppel regardless of the reasons for a change.

Id. at 32, 117 S. Ct. at 1050, 41 USPQ2d at 1872. SMC's theory is thus incorrect, for *Warner-Jenkinson* negates the position that every voluntary amendment must be deemed "required," whatever its provenance. However, when an amendment is accompanied by argument or explanation that distinguishes an amended portion of the claims from prior art, it is appropriate to apply the established rules of prosecution history estoppel to that subject matter. *See Id.* at 33-34, 117 S. Ct. at 1050-51, 41 USPQ2d at 1872 (analyzing explained amendment under established principles).

SMC did not previously raise the issue of prosecution history estoppel as to the two German references that Festo filed with the PTO, and did not provide the district court with translations of those references (which were in the Stoll prosecution history only in German). The district court discussed the amendment adding the magnetizable material to claim 1 as follows:

> [T]he reason why the newly substituted independent claim has the limitation that the sleeve be made of magnetizable material is a mystery, for nothing seems to turn on its composition for purposes of

> procuring the patent. At the very least, it is a question of fact.

Unlike the statements accompanying the amended claims concerning the sealing rings and the wiping function, no representation was made to the examiner concerning the magnetizable material of the sleeve. There is no basis for overturning the finding of the district court that the amendment concerning the magnetizable material was voluntary, and not required for patentability, *see Warner-Jenkinson,* 520 U.S. at 32, 117 S. Ct. at 1050, 41 USPQ2d at 1872 (discussing required amendments). We have been directed to no information in the newly cited translations that would lead us to require the district court to redo its study of the prosecution history and its comprehensive analysis of estoppel with respect to the magnetizable sleeve; no ruling or guidance in *Warner-Jenkinson* suggests error in the district court's analysis.

However, as to the element of the sealing rings, the prosecution history raises an unresolved issue. The applicant's reference to the wiping function, in the letter accompanying the amendment, raises the issue of whether this amendment was made for reasons of patentability, or whether the *Warner-Jenkinson* presumption arises and can, or can not, be rebutted. This issue was not before the district court, and the record is insufficient for appellate determination ab initio. In full implementation of the GVR, we remand for determination of whether such presumption has arisen, whether it can be rebutted, and the scope of any resultant estoppel. *See Litton v. Honeywell,* 140 F.3d at 1455, 46 USPQ2d at 1325 (vacating the district court's grant of JMOL and remanding for determination of prosecution history estoppel).

Should the district court find an estoppel or a presumption thereof not previously considered and not rebutted, the district court shall redetermine the question of

equivalency within the confines of that estoppel. In the event that the district court determines that there is no estoppel affecting the finding of equivalency as to the sealing rings and their wiping function, the verdict of infringement may be reinstated.

CONCLUSION

The judgment of infringement of the Stoll patent is vacated, and the cause is remanded for redetermination, consistent with our discussion herein.

III
OTHER ISSUES

The remand from the Supreme Court related only to the issues of the doctrine of equivalents. We reinstate the other portions of our prior decision, *viz.* the rulings relating to the special master proceedings and the measure of damages. *See Hughes Aircraft,* 140 F.3d at 1473-74, 46 USPQ2d at 1287-88 ("Vacatur and remand by the Supreme Court, however, does not create an implication that the lower court should change its prior determination.") (citing *United States v. M.C.C. of Florida, Inc.,* 967 F.2d 1559, 1561 (11th Cir. 1992)).

Costs

Each party shall bear its costs.

AFFIRMED IN PART, VACATED IN PART, AND REMANDED.

**UNITED STATES COURT OF APPEALS,
FOR THE FEDERAL CIRCUIT**

FESTO CORPORATION,

Plaintiff-Appellee,

v.

SHOKETSU KINZOKU KOGYO KABUSHIKI CO., LTD., a/k/a SMC Corporation, and SMC Pneumatics, Inc.,

Defendants-Appellants.

No. 95-1066.
Dec. 14, 1995.

Appeal from the United States District Court for the District of Massachusetts

Patti Saris , District Judge, Presiding

Before RICH, NEWMAN, and MICHEL, Circuit Judges.
Opinion by Judge Newman

NEWMAN, Circuit Judge.

Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd., also known as SMC Corporation, and SMC Pneumatics, Inc. (collectively SMC) seek reversal of the judgment of the United States District Court for the District of Massachusetts,[6] holding that SMC had infringed two patents owned by Festo Corporation and assessing damages. The patents relate to magnetically coupled rodless cylinders wherein the follower moves by magnetic attraction to the piston, which is moved hydraulically or pneumatically. We affirm the judgment.

---

[6] *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, No. 881814-PBS (D. Mass. Feb. 3, 1994).

I
SUMMARY JUDGMENT—THE CARROLL PATENT

Before trial the district court granted Festo's motion for partial summary judgment, finding infringement of United States Patent No. 3,779,401 (the Carroll patent) under the doctrine of equivalents. SMC, appealing this judgment, argues that in summarily finding infringement the trial judge engaged in impermissible fact-finding, contrary to the appropriate standard for Rule 56 determinations. We review the summary judgment for correctness of the process, as well as for its legal conclusion. The grant of summary judgment is given plenary review on appeal.

Summary judgment is appropriate when "the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c); *Celotex Corp. v. Catrett,* 477 U.S. 317, 322 (1986). A material fact is one whose finding is necessary to the proceedings. *Anderson v. Liberty Lobby, Inc.,* 477 U.S. 242, 248 (1986). A genuine issue of material fact is shown to exist if sufficient evidence is presented whereby a reasonable fact finder could decide the question in favor of the nonmoving party. *Id.* The evidence submitted by the nonmovant, in opposition to a motion for summary judgment, "is to be believed, and all justifiable inferences are to be drawn in his favor." *Id.* at 255.

In ruling on a motion for summary judgment the court must bear in mind the actual quantum and quality of proof necessary to support liability under the applicable law. *Id.* at 254. It is the opposing party's responsibility to raise issues of material fact thatwould make summary judgment inappropriate. *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.,* 475 U.S. 574, 585-87 (1986). The court must assess the adequacy of the nonmovant's response and must

determine whether the showing the nonmovant asserts it would have made at trial would be sufficient to sustain its position. *See Celotex,* 477 U.S. at 322.

The infringement issue concerning the Carroll patent, which expired in 1990, was focused on reexamined claim 9, shown in the margin.[1] All of the claim elements were

---

[1] Claim 9. A device for moving articles, which comprises:
a hollow cylinder formed of non-ferrous material and having opposite axial ends;
a piston mounted in the interior of the hollow cylinder and reciprocatingly slidable therein, the piston including a central mounting member disposed axially in the cylinder,
a plurality of cylindrically-shaped permanent magnets mounted on the central mounting member and spaced apart axially from each other, each magnet having a bore formed axially there-through for receiving the central mounting member, at least one pair of end members mounted on the central mounting member and disposed on opposite axial sides of the plurality of magnets,
a pair of cushion members formed of resilient material, the cushion members being situated near opposite axial ends of the central mounting member to help prevent damage to the piston when the piston contacts an axial end of the cylinder,
and a pair of resilient sealing rings situated near opposite axial ends of the central mounting member and engaging the cylinder to effect a fluid-tight seal therewith;
a body mounted on the exterior of the hollow cylinder and reciprocatingly slidable thereon, the body including a plurality of annularly shaped permanent magnets surrounding the cylinder and spaced apart from each other,
the permanent magnets of the piston and body being polarized so as to magnetically couple the body to the piston whereby movement of the piston inside the cylinder causes a corresponding movement of the body outside the cylinder,
the body further including means provided thereon for holding on the body an article to be moved;
and means for controlling the admission of pressure fluid into the cylinder and exhaust fluid from the cylinder for moving the piston in the cylinder, the attractive forces between the permanent magnets of the piston and the body being such that movement of the piston causes corresponding movement of the body below a predetermined load on the body and such that above said predetermined load movement of the

conceded to be literally present in the accused devices except for both members of the pair of resilient sealing rings. SMC stated to the special master "We've decided that we will not be presenting any testimony concerning infringement." Absent evidence that placed in dispute the facts of infringement, summary judgment could properly be granted on undisputed facts.

In granting summary judgment that the claim was infringed, the district court observed that SMC offered no evidence to refute Festo's assertion that substantially the same function was performed, in substantially the same way with the same result, by the claimed pair of resilient sealing rings when situated one at each end of the central mounting member, and by SMC's single ring situated at the end contacted by the pressure fluid. Although SMC now argues that there has not been compliance with the "all elements rule" of *Pennwalt Corp. v. Durand-Wayland, Inc.*, 833 F.2d 931, 935, 4 USPQ2d 1737, 1739-40 (Fed. Cir. 1987) (in banc), *cert. denied,* 485 U.S. 961, 1009 (1988), we take note that, as held in *Dolly, Inc. v. Spalding & Evenflo Cos.*, 16 F.3d 394, 398, 29 USPQ2d 1767, 1769 (Fed. Cir. 1994) and *Intel Corp. v. U.S. Int'l Trade Comm'n,* 946 F.2d 821, 832, 20 USPQ2d 1161, 1171 (Fed. Cir. 1991), there need not be one-to-one correspondence between the components of an accused device and the claimed invention. It was not disputed that the rings served the primary function of providing a tight seal at the end contacted by the pressure fluid. There was undisputed evidence to support a finding that the two-way seal employed by SMC, as used in the accused device, corresponds to the two resilient sealing rings of the claimed invention. On the record that was the basis of the motion for summary judgment we do not discern reversible error in the court's grant of summary judgment of

---

piston does not cause corresponding movement of the body. [Paragraphing added.]

infringement as to the Carroll patent. That judgment is affirmed.

II
THE JURY TRIAL

The remaining issues were tried to the jury. The jury found valid the Carroll patent and the Stoll patent (United States Patent No. 4,354,125), found the Stoll patent infringed, and assessed damages. The district court entered judgment on the jury verdict, denying duly made post-trial motions. The issues appealed relate only to infringement and damages; no appeal is taken on the issue of validity of either the Carroll or the Stoll patent.

We review the jury verdict to ascertain whether there was substantial evidence whereby a reasonable jury could have reached the verdict that was reached. Substantial evidence is such relevant evidence, on the record as a whole, as could be accepted by a reasonable mind as adequate to support the verdict. *Perkin-Elmer Corp. v. Computervision Corp.*, 732 F.2d 888, 893, 221 USPQ 669, 673 (Fed. Cir.), *cert. denied,* 469 U.S. 857 (1984). The court must consider the evidence in the light most favorable to the party in whose favor the jury found, and must not substitute its choice for the jury's in drawing factual inferences or deciding between conflicting evidence. *Brooktree Corp. v. Advanced Micro Devices, Inc.*, 977 F.2d 1555, 1580, 24 USPQ2d 1401, 1419 (Fed. Cir. 1992).

A. INFRINGEMENT OF THE STOLL PATENT

Stoll patent claim 1 is shown in the margin.[2] The

---

[2] Claim 1. In an arrangement having a hollow cylindrical tube and driving and driven members movable thereon for conveying articles, the improvement comprising wherein said tube is made of a nonmagnetic material,
wherein said driving member is a piston movably mounted on the inside of said tube,

issue of infringement focused on the claim clauses relating to the guide rings and sealing rings, for some of the accused devices contained four rings and some contained only three rings; and to the magnetizable material in the sleeve of the follower. The presence of all other claim elements and limitations in the accused devices was conceded. We confirmed in *Hilton Davis Chem. Co. v. Warner-Jenkinson Co.*, 62 F.3d 1512, 35 USPQ2d 1641 (Fed. Cir. 1995) (en banc) that the fundamental inquiry with respect to equivalency is whether the accused device is substantially the same as the patented invention, affirming the utility of the function/way/result test for substantial identity, and the

---

said piston having a piston body and plural axially spaced, first permanent annular magnets encircling said piston body,
said piston further including first means spacing said first permanent magnets in said axial spaced relation, the radially
peripheral surface of said magnets being oriented close to the internal wall surface of said tube,
said piston further including plural guide ring means encircling said piston body and slidingly engaging said internal wall
and first sealing rings located axially outside said guide rings for wiping said internal wall as said piston moves along said tube to thereby cause any impurities that may be present in said tube to be pushed along said tube so that said first annular magnets will be free of interference from said impurities,
wherein said driven member includes a cylindrical sleeve made of a magnetizable material and encircles said tube,
said sleeve having plural axially spaced second permanent annular magnets affixed thereto and in magnetically attracting relation to said first permanent annular magnets and second means spacing said second permanent annular magnets in said axially spaced relation, the radially inner surface of said magnets being oriented close to the external surface of said tube,
said sleeve having end face means with second sealing rings located axially outside said second permanent annular magnets for wiping the external wall surface of said tube as said driven member is moved along said tube in response to a driving movement of said piston to thereby cause any impurities that may be present on said tube to be pushed along said tube so that second permanent annular magnets will be free of interference from said impurities. [Paragraphing added.]

relevance of objective considerations such as copying or independent development.

Both sides presented testimony and made cogent arguments at trial on the merits of their respective positions on the technologic aspects of equivalency. There was expert testimony on behalf of Festo that the SMC cylinder having a follower using an aluminum alloy sleeve encircling the magnets is substantially the same as the claimed cylinder wherein the sleeve is made of "magnetizable material," and that both serve the function of reducing magnetic leakage. Festo's expert witness in the field of physics and magnetism, Dr. Schroeder, explained that because of the small gap, any magnetic flux leaking from the cylinder is very small. He showed the tests he conducted on the SMC sleeve, and explained the evidence that a 300% reduction in magnetic leakage fields was produced by the SMC sleeve. Dr. Schroeder explained how he analyzed the composition of the SMC sleeve and compared it to the sleeve described in the patent. He testified that the SMC sleeve formed a magnetic circuit in substantially the same way as the sleeve of the patent, that it served the same function of shielding and minimizing leakage fields, and that it obtained substantially the same result of avoiding undesirable braking forces.

There was also evidence before the jury concerning the double rings at each end of the central member. SMC argues that the omission of one of the sealing rings precludes a finding of infringement, under the "all elements rule" of *Pennwalt.* However, this rule does not require a one-to-one correspondence of components. *See, e.g., Dolly v. Spalding,* 16 F.3d at 398, 29 USPQ2d at 1769; *Intel v. ITC,* 946 F.2d at 832, 20 USPQ2d at 1171. There was testimony concerning the effect of the omission by SMC of one of the four rings, and the effect of the location of the omitted ring distal from the pressure medium. Festo presented testimony that the use by SMC of a guiding ring at both ends, retaining the

wiping/sealing ring only at the end adjacent the pressure medium, corresponded to and was equivalent to the claimed ring structure, and that the SMC ring structure would still improve the life of the piston, although not as effectively as would the use of two rings at both ends. Inefficient infringement is still infringement. *Laitram Corp. v. Cambridge Wire Cloth Co.,* 863 F.2d 855, 859, 9 USPQ2d 1289, 1294 (Fed. Cir. 1988), *cert. denied,* 490 U.S. 1068 (1989).

A verdict of infringement must be sustained if reasonable jurors, viewing the evidence as a whole, could have found the facts needed to reach the verdict that was reached, in light of the applicable law. It is our obligation to defer to the trier of fact when we come upon substantial evidence to support the verdict. We neither make our own findings as if there had been no trial, nor attempt to reconstruct the entire trial on a paper record. *Anderson v. City of Bessemer City,* 470 U.S. 564, 573 (1985) ("The reviewing court oversteps the bounds of its duty under Rule 52(a) if it undertakes to duplicate the role of the lower court . . .. 'Appellate courts must constantly have in mind that their function is not to decide factual issues de novo.'") (quoting *Zenith Radio Corp. v. Hazeltine Research, Inc.,* 395 U.S. 100, 123 (1969)).

Although the differing expert opinions reflect the closeness of the technologic facts, there was substantial evidence whereby a reasonable jury could have found infringement of the Stoll patent in terms of the doctrine of equivalents. *See Transnational Corp. v. Rodio & Ursillo, Ltd.,* 920 F.2d 1066, 1068 (1st Cir. 1990) ("In reviewing the jury verdict, we are compelled even in a close case,'to uphold the verdict unless the facts and inferences, when viewed in a light most favorable to the party for whom the jury held, point so strongly and overwhelmingly in favor of the movant that a reasonable jury could not have arrived at

this conclusion.'") (quoting *Chedd-Angier Production Co. v. Omni Publications Int'l Ltd.*, 756 F.2d 930, 934 (1st Cir. 1985)).

B. PROSECUTION HISTORY ESTOPPEL

The issue of prosecution history estoppel is raised by SMC on appeal. At trial, counsel correctly stated that "This is not really a prosecution history estoppel case." Counsel argues that it is now our obligation to determine the scope and meaning of claim terms de novo. Indeed *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 970-71, 34 USPQ2d 1321, 1322 (Fed. Cir. 1995) (en banc) requires independent determination of the construction of the claims, as a matter of law, unencumbered by the trial process. However, the issue of estoppel, to the extent that it was raised at trial, was aired in extensive testimony by the inventor and by expert witnesses on both sides, all directed to the meaning of "magnetizable material." Related factual issues were also disputed, such as the reason for the addition of this limitation to the claims.

Festo argues that prosecution history estoppel does not bar a finding of equivalency when a descriptive term in the claim was not required to be included in order to overcome prior art. *See Hilton Davis*, 62 F.3d at 1525, 35 USPQ2d at 1651 ("Nor does prosecution history estoppel preclude application of the doctrine of equivalents in this case. Whenever prosecution history estoppel is invoked as a limitation to infringement under the doctrine of equivalents, a close examination must be made as to, not only what was surrendered, but also the reason for such a surrender.") (internal quotation marks and citations omitted). As discussed in *Vaupel Textilmaschinen KG v. Meccanica Euro Italia SPA*, 944 F.2d 870, 882, 20 USPQ2d 1045, 1054 (Fed. Cir. 1991), in determining whether prosecution history estoppel applies when there has been a change in claim language during prosecution, the court must consider both

what was changed and the reason for the change. The scope of any asserted estoppel is determined in light of the prior art in the field of art relevant to the change, the statements made to the patent examiner as to the reason for the change, and the purpose of the change as it relates to the allowance of the claims. *See Mannesmann Demag Corp. v. Engineered Metal Prods. Co.*, 793 F.2d 1279, 1284-85, 230 USPQ 45, 48 (Fed. Cir. 1986).

In this case the description of the sleeve as made of magnetizable material was added during prosecution. The reason for the addition was not stated in the prosecution history, was vigorously disputed at trial, and was not at all clear to the trial judge, who called the addition "a mystery." At the trial there was testimony by the inventor and by experts on both sides, accompanied by extensive argument of counsel. The prosecution record was before the jury, as was the inventor. The trial judge did not hold Festo estopped to argue that there was equivalency between the SMC aluminum alloy sleeve and the claimed magnetizable sleeve. We do not discern error of law in this ruling, and indeed there were before the jury SMC's arguments on the technologic facts. Also before the jury were the special master's contrary findings. The special master, as discussed post, had found that there was prosecution history estoppel barring Festo's assertion of equivalency.

No objection was raised to the district court's instructions on the law of estoppel, or to the presentation of the broad issue to the jury as part of the evidence relating to infringement. *See* Fed. R. Civ. P. 51 ("No party may assign as error the giving or the failure to give an instruction unless that party objects thereto before the jury retires . . .") We do not discern reversible error in these proceedings. Taking note of the substantial evidence of technologic identity of function, way, and result in the circumstances of actual use wherein the leakage of magnetic flux from the cylinder was

small, and the disputed facts underlying the issue of estoppel, we conclude that the judgment of infringement of the Stoll patent must be sustained.

C. THE SPECIAL MASTER

SMC argues that the reference to a special master deprived it of the right to trial by jury, in that the master's report was before the jury. SMC also objects that it was required to try the entire case twice, first to the master and then to the jury. We are sympathetic to the burden on the parties and the cost of two trials. However, this was not a matter of simply turning the case over to a master, as SMC argues, for the case was fully tried, and decided, by judge and jury.

The federal courts have certain inherent powers to appoint persons unconnected with the court to aid judges in the performance of specific duties. *Ex parte Peterson,* 253 U.S. 300, 312 (1920) (appointment of auditor to define and simplify the issues); *Constant v. Advanced Micro-Devices, Inc.,* 848 F.2d 1560, 1566-67, 7 USPQ2d 1057, 1060 (Fed. Cir.), *cert. denied,* 488 U.S. 892 (1988) (special master made recommendations on issues of validity and infringement). Consent of the parties is not required. *Peterson,* 253 U.S. at 312-14. SMC states that it objected to the appointment of a master on the ground that trial to the master should not replace the requested jury trial. However, the jury trial was not replaced. A full jury trial was held, except for the issue concerning the Carroll patent that was decided by summary judgment. Rule 53(b) states in part:

> Rule 53(b) Reference. A reference to a master shall be the exception and not the rule. In actions to be tried by a jury, a reference shall be made only when the issues are complicated; in actions to be tried without a jury, save in matters of account and of difficult computation of damages, a reference shall

> be made only upon a showing that some exceptional condition requires it . . ..

The trial judge to whom this case was first assigned deemed the case to be sufficiently complicated to be referred to a special master, to conduct a hearing on the issues of patent validity and infringement and to make recommendations on those issues. The successor trial judge, sharing the view that the issues were complicated, continued the reference. In a non-jury trial, complexity alone does not warrant reference to a master; "On the contrary, we believe that this is an impelling reason for trial before a regular, experienced trial judge rather than before a temporary substitute appointed on an ad hoc basis and not ordinarily experienced in judicial work." *La Buy v. Howes Leather Co.*, 352 U.S. 249, 259 (1957). However, the strict "exceptional condition" standard of Rule 53(b) relates only to actions tried without a jury. Thus the district court did not abuse its discretion in referring the complex technologic issues of validity and infringement to a special master.

The master apparently conducted a full trial of these issues, and produced a detailed report. Rule 53(e)(3) permits the master's report to be presented along with other evidence for consideration by the jury:

> Rule 53(e)(3) In Jury Actions. In an action to be tried by a jury the master shall not be directed to report the evidence. The master's findings upon the issues submitted to the master are admissible as evidence of the matters found and may be read to the jury, subject to the ruling of the court upon any objections in point of law which may be made to the report.

See Crateo, Inc. v. Intermark, Inc., 536 F.2d 862, 868 (9th Cir.) (findings of special master are admissible as evidence and may be read to the jury; Rule 53(e)(3) does not require master to personally read findings, or to be made available

for cross-examination), *cert. denied,* 429 U.S. 896 (1976); Peterson, 253 U.S. at 310-11:

> The report will, unless rejected by the court, be admitted at the jury trial as evidence of facts and findings embodied therein; but it will be treated, at most, as prima facie evidence thereof. The parties will remain free to call, examine, and cross-examine witnesses as if the report had not been made. No incident of the jury trial is modified or taken away either by the preliminary, tentative hearing before the auditor or by the use to which his report may be put.

SMC states that it objected to the possession of a redacted version of the master's report by the jury, although it agreed that portions of the report could be read to the jury. SMC, Festo, and the judge had previously agreed on the redacted (both sides call it "sanitized") version of the report. We observe that the subject matter remaining in the report related to the technology of the invention and the prior art, and the master's findings and recommendations on the issues of validity and infringement. The master's report favored SMC on the important question of infringement of the Stoll patent, although it favored Festo on the validity issues.

The court allowed the jurors to have a copy of the report, instead of merely reading it to them as stated in the Rule, in light of the complexity of the technologic facts. The copies were to be turned in prior to deliberations, and the jurors were so informed upon distribution of the report. However, apparently not all copies were turned in or collected prior to deliberations. SMC states that this tainted the entire procedure, and requires granting a new trial or setting aside or modifying the verdict.

The district court found that any procedural error was harmless and did not affect the substantial rights of either party. The district court referred to the following factors: (1)

the jurors had notebooks to take notes on the master's report while they were reading it; (2) because various members of the jury finished reading the report on July 11, 12, and 13, the report was fresh in their minds during deliberations on July 14; (3) counsel for both sides commented on the findings in the report during their closing arguments; (4) the court gave clear instructions to the jury that they could give whatever weight they chose to the report and that they, not the special master, were the ultimate fact-finders; and (5) the verdict of the jury disregarded a key finding of the master's report with respect to the magnetizable sleeve, demonstrating that the jury did not actually give the master's report undue weight. Post-Trial Memorandum at 2 (July 26, 1994).

We do not deem the jury trial to have been fatally flawed. The technology was complex, the fine points of patent validity and infringement were complex, and the accounting evidence was complex. All were explained in the master's report, and during the argument reference was made by both parties to the master's findings and explanations. The master's report is evidence, and as such may be referred to in arguments of counsel. Fed. R. Civ. P. 53(e)(3); *Charles A. Wright, Inc. v. F.D. Rich Co.,* 354 F.2d 710, 714 (1st Cir.), *cert. denied,* 384 U.S. 960 (1966). There was testimony of witnesses on the points that had been discussed by the special master. Although the Court has cautioned that a special master must not replace a jury trial, *Dairy Queen, Inc. v. Wood,* 369 U.S. 469, 478 n. 18, 133 USPQ 294, 297 n. 18 (1962); *La Buy,* 352 U.S. at 258, in this case a full jury trial was held.

It is significant that the jury verdict did not track the master's conclusions. Although SMC argues that the jury must have placed undue reliance on the master's conclusions, SMC's counsel told the jury in closing argument:

Judge Saris will instruct you that you can give

> whatever weight you desire to this report. I would suggest to you that you give it the maximum weight. He especially considered this point. He was certainly very knowledgeable concerning everything that went on. He had an eleven-day trial before him and then he issued a detailed 68-page report in which he concluded that the SMC rodless cylinder did not infringe.

Despite this exhortation, the jury's conclusion as to infringement of the Stoll patent was contrary to the master's conclusion.

On the entirety of the circumstances, we do not believe that SMC's rights to a fair trial were affected by the lapse whereby the jury retained a copy of the master's report during its deliberations. Fed. R. Civ. P. 61 provides:

> Rule 61. Harmless Error No error in either the admission or the exclusion of evidence and no error or defect in any ruling or order or in anything done or omitted by the court or by any of the parties is ground for granting a new trial or for setting aside a verdict or for vacating, modifying or otherwise disturbing a judgment or order, unless refusal to take such action appears to the court inconsistent with substantial justice. The court at every stage of the proceeding must disregard any error or defect in the proceeding which does not affect the substantial rights of the parties.

We discern no ground for a new trial flowing from the procedures with respect to the special master.

III
DAMAGES

SMC disputes the damages assessed by the jury. The assessment of damages is a question of fact, and is decided by the jury when trial is to a jury. *Brooktree,* 977 F.2d at

1578, 24 USPQ2d at 1417; *Weinar v. Rollform, Inc.*, 744 F.2d 797, 808, 223 USPQ 369, 375 (Fed. Cir. 1984), *cert. denied*, 470 U.S. 1084, 105 S. Ct. 1844, 85 L. Ed. 2d 143 (1985). The jury's award must be upheld unless the amount is grossly excessive, clearly not supported by the evidence, or based on speculation or guesswork. *Brooktree*, 977 F.2d at 1580, 24 USPQ2d at 1419. To the extent that there were conflicts in the evidence with respect to damages, neither the trial court upon motion for judgment as a matter of law, nor the appellate court, may substitute its findings for those of the jury. *Id.* at 1581, 24 USPQ2d at 1419.

A. GENERAL DAMAGES

The general measure of the actual damages of a manufacturing patentee is the lost profits that the patentee would have earned but for the infringement. *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 377 U.S. 476, 507, 141 USPQ 681, 694 (1964); *Del Mar Avionics, Inc. v. Quinton Instrument Co.*, 836 F.2d 1320, 1326, 5 USPQ2d 1255, 1260 (Fed. Cir. 1987). Festo was a manufacturer of the patented product, and presented evidence on the factors of (1) demand for the product, (2) the possible substitution of other products, (3) Festo's manufacturing and marketing capability to fulfill the demand, and (4) the amount of profit Festo would have made on the sales lost due to the infringement. *See Panduit Corp. v. Stahlin Bros. Fibre Works, Inc.*, 575 F.2d 1152, 1156, 197 USPQ 726, 729-30 (6th Cir. 1978); *Gyromat Corp. v. Champion Spark Plug Co.*, 735 F.2d 549, 552, 222 USPQ 4, 6 (Fed. Cir. 1984). As discussed in *Rite-Hite Corp. v. Kelley Co.*, 56 F.3d 1538, 1545, 35 USPQ2d 1065, 1069 (Fed. Cir. 1995) (en banc), the *Panduit* factors are a useful (albeit not the only) mode of establishing damages in patent cases. In this case the evidence presented by Festo methodically tracked the *Panduit* factors.

Mr. Horst Saalbach, President of Festo, and Mr. Joachim Scholz, Vice President of Sales and Marketing of

Festo, testified about the demand for magnetically coupled rodless cylinders because of their unique characteristics. Mr. Saalbach and Mr. Scholz testified that mechanical rodless cylinders, and band and cable cylinders, were not acceptable substitutes in the special applications in which magnetically coupled rodless cylinders are used. They provided evidence that Festo and SMC were the only suppliers during the period of infringement. Mr. Saalbach testified that Festo could have accommodated about eight to ten times more business in the rodless cylinder market.

SMC disputed the issue of substitution of other products. The parties also presented conflicting evidence and argument as to the relative prices at which SMC and Festo sold comparable products, and the effect of any price differential on a customer's choice of a non-infringing substitute. SMC relies on *BIC Leisure Prods., Inc. v. Windsurfing Int'l, Inc.*, 1 F.3d 1214, 27 USPQ2d 1671 (Fed. Cir. 1993); however, in BIC there were at least fourteen competing manufacturers, whereas in the case at bar Festo and SMC were the only manufacturers. When there is a two-supplier market occupied by the patentee and the infringer, it is reasonable for the jury to infer that the patentee would have made the infringer's sales, absent proof to the contrary. *See State Indus., Inc. v. Mor-Flo Indus., Inc.*, 883 F.2d 1573, 1578, 12 USPQ2d 1026, 1029 (Fed. Cir. 1989), *cert. denied*, 493 U.S. 1022 (1990). On the totality of the evidence, we conclude that a reasonable jury could have found that Festo's damages should be measured by its lost profits due to SMC's infringement.

Mr. Steven Skalak, a CPA from Coopers & Lybrand, provided a detailed analysis of Festo's lost profits, showing the calculations he performed to determine what Festo's profits would have been had there been no infringement by SMC. SMC disputes the measurement of such profits, arguing that Festo had a net loss for its early years, and Festo

responding that these magnetic cylinders were profitable items. Festo states that SMC's accounting witness, Mr. Squire, did not provide an alternative lost profit analysis, or identify any items that should have been included in or excluded from the calculation of Festo's fixed costs. SMC does not disagree. Although SMC now appears to challenge all of Festo's evidence, it is apparent that there was substantial evidence at trial that could support the jury verdict.

B. ACCESSORY SALES

SMC states that included in the damages award were lost sales of "accessory" items sold with the magnetically coupled rodless cylinders. In *Rite-Hite,* 56 F.3d at 1550, 35 USPQ2d at 1073 the court stated that "[we do not extend] liability to include items that have essentially no functional relationship to the patented invention and that may have been sold with an infringing device only as a matter of convenience or business advantage."

There was undisputed testimony that the items here at issue could be used only with the patented magnetic cylinders, and had no independent market or use. Mr. Saalbach testified that certain "accessories" are necessary to make the magnetically coupled rodless cylinder operational. Mr. Scholz testified that the accessories that Festo sells "you must have to get this device to do work." Mr. Skalak explained the study he performed to verify Festo's sales of these items with the patented rodless cylinders. Such items, having no market, use, or value separate from the patented cylinders, were properly included in the damages award.

The verdict of damages was supported by substantial evidence and in accordance with law, and must be sustained.

IV
CONCLUSION

The district court's judgment is affirmed.

Costs are taxed in favor of Festo.

AFFIRMED.

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

FESTO CORPORATION,

Plaintiff,

v.

SHOKETSU KINZOKU KOGYO KABUSHIKI CO., LTD., a/k/a SMC CORPORATION, and SMC PNEUMATICS, INC.,

Defendants.

Civil Action No. 88-1814- PBS

JUDGMENT

This Court, sitting with a jury, tried the issues with respect to the validity of two United States patents (the "Stoll") and "Carroll" patents) owned by Plaintiff Festo Corporation ("Festo") and the infringement of the Stoll patent by Defendants SMC Corporation and SMC Pneumatics, Inc. (collectively "SMC"), and this Court considered the evidence introduced by the parties and the arguments presented on their behalf. In addition, on July 11, 1994, this Court granted summary judgment on infringement of the Carroll patent with respect to the SMC basic type magnetically coupled rodless cylinder, excluding the 6mm bore size.

Pursuant to the jury verdict rendered on July 14, 1994 regarding validity of both the Stoll and Carroll patents and infringement of the Stoll patent, the summary judgment motion granted by this Court with respect to infringement of the Carroll patent and the jury verdict rendered on July 21, 1994 setting forth the damages based on infringement of these patents, this Court directs entry of judgment as set forth below. It is hereby

ORDERED AND ADJUDGED, that

1. This Court has jurisdiction over the subject matter of this action and over the parties.

2. Plaintiff Festo is the owner by assignment of Stoll United States Patent No. 4,354,125 and Carroll Re-examination Certificate B1 3,779,401 ("the patents in suit") and of all rights of recovery for infringement thereof.

3. Defendant SMC has manufactured and sold in the United States during the term of the patents in suit, without authority from Festo, CY1 NCY1 series magnetically coupled rodless cylinders, excluding the 6mm bore size.

4. With respect to Stoll U.S. Patent No. 4,354,125, entitled, "Magnetically Coupled Arrangement For A Driving And A Driven Member," issued October 12, 1982:

a) SMC has failed to carry its burden of proving Claims 1-3 invalid.

b) SMC has failed to carry its burden of proving that the Stoll patent is invalid for not disclosing the best mode.

c) SMC has infringed Claim 1 of the Stoll patent by making, using and selling CY1 and NCY1 series magnetically coupled rodless cylinders, excluding the 6mm bore size.

5. With respect to the Carroll Re-examination Certificate No. B1 3,779,401, entitled, "Pneumatic Device For Moving Articles," issued October 25, 1988:

a) SMC has failed to carry its burden of proving Claim 9 invalid.

b) In accordance with this Court's July 11, 1994 order, SMC has infringed Claims 9, 5 and 6 of the re-examined Carroll patent by making, using and selling CY1 and NCY1 series, basic type,

magnetically coupled rodless cylinders, excluding the 6mm bore size.

c) Festo's claim of infringement of the re-examined Carroll patent with respect to SMC's CY1 and NCY1 series, cylinder type, magnetically coupled rodless cylinders is dismissed with prejudice in accordance with this Court's July 11, 1994 order.

6. Effective forty-five (45) days from entry of judgment, in accordance with 35 U.S.C. § 283, SMC Pneumatics, Inc. and SMC Corporation, its officers, agents, servants, employees, and attorneys and those persons in active concert or participation with them who receive actual notice of this judgment by personal service or otherwise, are enjoined and restrained:

(i) from making, using or selling in the United States any magnetically coupled rodless cylinder which infringes Claim 1 of Plaintiff Festo Corporation's Stoll U.S. Patent No. 4,354,125, including, without limitation, by manufacture, use or sale of CY1 and NCY1 series magnetically coupled rodless cylinders, excluding the 6mm bore size;

(ii) from doing any act in the United States which actively induces infringement of Claim 1 of Plaintiff Festo Corporation's Stoll U.S. Patent No. 4,354,125.

(iii) from supplying in or from the United States all or a substantial portion of the components of the Stoll patented invention, where such components are combined in whole or in part, in such manner as to actively induce the combination of such components outside of the United States in a manner that would infringe Claim 1 of Plaintiff Festo

Corporation's Stoll U.S. Patent No. 4,354,125, if such combination occurred within the United States; and

7. Counts II through VI of the Festo Complaint regarding predatory pricing are hereby dismissed with prejudice in accordance with the Decision On Summary Judgment by Judge Mazzone on January 27, 1992.

8. SMC's counterclaim regarding infringement of Miyamoto U.S. Patent No. 4,488,477 entitled "Rodless Cylinder" is hereby dismissed with prejudice.

9. In accordance with 35 U.S.C. § 284, the total amount of damages adequate to compensate Festo for SMC's infringement through December 31, 1993 is $4,322,456 plus prejudgment interest of $416,727 for a total of $4,739,183. This Court shall determine an amount of damages on the same lost profits basis as awarded by the jury to Festo for the period between January 1, 1994 and the date on which a determination on appeal to the Court of Appeals for the Federal Circuit is made or the time for making an appeal to the Court of Appeals for the Federal Circuit has been exhausted. Accordingly, SMC is to provide this Court and Festo, within 30 days after a determination of appeal, sufficient information to carry out a separate accounting for the period identified above which shall be submitted to the Court for making the determination of additional damages. Plaintiff Festo is also entitled to interest on these additional damages in an amount to be determined by this Court.

10. Each party is to bear its own costs and attorneys' fees.

Judgment is hereby entered in favor of Plaintiff Festo Corporation against Defendants SMC Corporation and SMC Pneumatics, Inc. and each of them on the issues of liability and damages.

SO ORDERED.

/s/ Patti B. Saris PATTI B. SARIS United States District Judge

Dated: October 27, 1994

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT
95-1066

FESTO CORPORATION,

Plaintiff-Appellee,

v.

SHOKETSU KINZOKU KOGYO
KABUSHIKI CO., LTD., a/k/a SMC CORPORATION,
and SMC PNEUMATICS, INC.,

Defendants-Appellants.

ON PETITION FOR REHEARING EN BANC

Before MAYER, Chief Judge, NEWMAN, MICHEL, Circuit Judges, PLAGER, Senior Circuit Judge, LOURIE, CLEVENGER, RADER, SCHALL, BRYSON, GAJARSA, LINN, DYK, and PROST, Circuit Judges.

ORDER

The Festo Corporation ("Festo") and Shoketsu Kinzoku Kogyo Kabushiki Co., LLtd., a/k/a SMC Corporation, and SMC Pneumatics, Inc. (collectively "SMC") have each filed a petition for rehearing enbanc. The petitions were circulated to the judges who issued the en banc decision on September 6, 2003.

Upon consideration thereof,

IT IS ORDERED THAT:

(1) Festo's petition for rehearing en banc is denied.

(2) SMC's petition for rehearing en banc is denied.

(3) The mandate of the court will issue on November 12, 2003.

Date: November 5, 2003 FOR THE COURT

/s/ jan horably
Jan Horably
Clerk

FILED
U.S. Court of Appeals For
The Federal Circuit

November 5, 2003

Jan Horably
Clerk